

Please note: These transcripts are not individually reviewed and approved for accuracy.

BEFORE THE  
CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

IN THE MATTER OF THE: )  
 )  
REGULAR MONTHLY BUSINESS )  
MEETING )  
\_\_\_\_\_ )

DATE AND TIME: THURSDAY,  
JANUARY 23, 1997  
9 A.M.

PLACE: BOARD HEARING  
ROOM  
  
8800 CAL CENTER  
DRIVE  
SACRAMENTO,  
CALIFORNIA

REPORTER: BETH C. DRAIN,  
RPR, CSR  
CERTIFICATE NO.  
7152

BRS FILE NO.: 37721

APPEARANCES

MR. DANIEL G. PENNINGTON, CHAIRMAN  
MR. ROBERT C. FRAZEE, VICE CHAIRMAN  
MR. WESLEY CHESBRO, MEMBER  
MS. JANET GOTCH, MEMBER MR. PAUL RELIS,  
MEMBER  
MR. STEVEN R. JONES, MEMBER

STAFF PRESENT

MR. RALPH CHANDLER, CHIEF EXECUTIVE OFFICER  
MS. KATHRYN TOBIAS, LEGAL COUNSEL  
MS. MARLENE KELLY, BOARD SECRETARY

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ITEM 39: CONSIDERATION OF STAFF'S RECOMMENDATIONS ON THE CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD'S INITIATIVE TO DEVELOP STRATEGIES TO MEET THE 50 PERCENT DIVERSION MANDATE		
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1 SACRAMENTO, CALIFORNIA; THURSDAY, JANUARY 23, 1997

2 9 A.M.

3

4 CHAIRMAN PENNINGTON: GOOD MORNING AND  
5 WELCOME TO THE SECOND DAY OF THE JANUARY 1997  
6 MEETING OF THE CALIFORNIA INTEGRATED WASTE  
7 MANAGEMENT BOARD. WILL THE SECRETARY PLEASE CALL  
8 THE ROLL.

9 BOARD SECRETARY: BOARD MEMBER CHESBRO.

10 BOARD MEMBER CHESBRO: HERE.

11 BOARD SECRETARY: FRAZEE.

12 BOARD MEMBER FRAZEE: HERE.

13 BOARD SECRETARY: GOTCH.

14 BOARD MEMBER GOTCH: HERE.

15 BOARD SECRETARY: JONES.

16 BOARD MEMBER JONES: HERE.

17 BOARD SECRETARY: RELIS.

18 MEMBER RELIS: HERE.

19 BOARD SECRETARY: CHAIRMAN PENNINGTON.

20 CHAIRMAN PENNINGTON: HERE.

21 DO ANY MEMBERS HAVE ANY EX PARTES?

22 I'LL START WITH MR. CHESBRO.

23 BOARD MEMBER CHESBRO: NO.

24 CHAIRMAN PENNINGTON: ANYTHING?

25 BOARD MEMBER FRAZEE: NOTHING THIS

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1 MORNING.

2 CHAIRMAN PENNINGTON: OKAY. VERY GOOD.  
3 THERE ARE SPEAKER REQUEST FORMS AT THE BACK OF THE  
4 ROOM. IF YOU WISH TO SPEAK THIS MORNING, YOU CAN  
5 FILL ONE OUT AND GET IT UP HERE TO MS. KELLY AND  
6 WE'LL GO FROM THERE.

7 AS NOTICED, THE BOARD WILL TAKE UP  
8 ONE ITEM OF SIGNIFICANT IMPORTANCE THIS MORNING.  
9 AFTER THE COMPLETION OF THIS ITEM, THE BOARD WILL  
10 ADJOURN. FOLLOWING THE LUNCH BREAK, THE BOARD  
11 WILL CONVENE A COMBINED PUBLIC MEETING WITH THE  
12 STATE WATER RESOURCES CONTROL BOARD DOWNTOWN AT  
13 1516 9TH STREET IN HEARING ROOM A.

14 BOARD MEMBER CHESBRO: MR. CHAIRMAN, I'M  
15 SORRY TO INTERRUPT, BUT ON THE EX PARTE QUESTION,  
16 PROBABLY SHOULD ENTER INTO THE RECORD RIGHT UP  
17 FRONT HERE A LETTER THAT I THINK WE ALL RECEIVED  
18 FROM THE LEAGUE OF CALIFORNIA CITIES, SIGNED BY  
19 YVONNE HUNTER.

20 CHAIRMAN PENNINGTON: I THINK IT'S  
21 PROBABLY BEEN ENTERED OR MINE HAS BEEN. WE'LL  
22 MAKE IT PART OF THE RECORD.

23 BOARD MEMBER CHESBRO: SOMEWHERE JUDY  
AND  
24 RALPH SHOULD HAVE COPIES FLOATING AROUND SINCE  
25 THEY'RE CC.'D. JUDY AND RALPH CHANDLER.

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1                   CHAIRMAN PENNINGTON:    OKAY.  
2       CONSIDERATION -- WE'VE GOT THAT TAKEN CARE OF.  
3       CONSIDERATION OF STAFF'S RECOMMENDATIONS ON THE  
4       CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD'S  
5       INITIATIVE TO DEVELOP STRATEGIES TO MEET THE  
6       50-PERCENT DIVERSION MANDATE.   WE'LL START OFF  
7       WITH JUDY FRIEDMAN AND LORRAINE VAN KEKERIX AND  
8       THE 50-PERCENT GAME.

9                   MR. CHANDLER:    ACTUALLY, MR. CHAIRMAN, I  
10      THINK I'M GOING TO KICK THIS PRESENTATION OFF  
11      TODAY.   AND I WANT TO, FIRST OF ALL, THANK THE  
12      MEMBERS OF THE BOARD FOR AGREEING TO PUT THIS  
13      INDIVIDUAL AGENDA AS A SINGLE ITEM TO BE FOCUSED  
14      ON ON OUR SECOND-DAY ACTIVITIES.   THIS IS A  
15      SIGNIFICANT AGENDA ITEM INASMUCH AS IT'S STARTING  
16      TO SET THE COURSE AND DIRECTION FOR THIS ORGANI-  
17      ZATION AS IT RELATES TO JUST HOW WE'RE GOING TO  
18      ALLOCATE RESOURCES AND IDENTIFY WHICH STRATEGIES  
19      WE WANT TO MOVE FORWARD WITH AS WE LOOK TO THE  
20      YEAR 2000, A YEAR THAT'S JUST NOW THREE SHORT  
21      YEARS AWAY FROM THE EFFORTS THAT WE STILL HAVE  
22      AHEAD OF US.

23                   I'M GOING TO PROVIDE SOME  
24      INTRODUCTORY REMARKS AND TRY TO SET SOME CONTEXT  
25      FOR WHAT IS TO FOLLOW.   AS YOU INDICATED, JUDY



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1 FRIEDMAN WILL THEN OUTLINE VERY BRIEFLY KIND OF  
2 THE PROCESS AND APPROACH WE TOOK TO THIS, AND THEN  
3 LORRAINE WILL ACTUALLY GET INTO A LITTLE BIT MORE  
4 DETAIL.

5 WE HAVE OVERHEADS THAT WILL CARRY  
6 YOU THROUGH. AS YOU CAN SEE, I'VE TAKEN ONE OF  
7 THE THREE SCREENS THAT THE AUDIENCE USUALLY HAS  
8 AVAILABLE TO THEM AND TURNED TOWARDS YOU ALL SO  
9 YOU CAN AVOID HAVING TO WORK WITH THE GLARE OFF OF  
10 THE SMALLER MONITORS YOU HAVE. AND I'D LIKE TO  
11 ASK PATTI IF SHE WOULD SIMPLY HAND YOU OUT NOW  
12 HARD COPY HANDOUTS OF THE OVERHEADS THAT I'M GOING  
13 TO BE -- THAT ALL OF US ARE GOING TO BE GOING  
14 THROUGH THIS MORNING THAT KAORU IS GOING TO ASSIST  
15 US WITH.

16 SO WITH THAT BRIEF FRAMEWORK, LET ME  
17 JUST TOUCH ON THE OBJECTIVES OF MY REMARKS THIS  
18 MORNING. FIRST OF ALL, I HAVE TWO MAIN THEMES I  
19 WANT TO TRY TO GET ACROSS IN MY POINTS. FIRST, I  
20 WANT TO FRAME THE ISSUE FROM KIND OF A PROBLEM  
21 STATEMENT DEFINITION. IN OTHER WORDS, IF WE'RE  
22 LOOKING AT THE FUTURE STATE AND WHERE WE NEED TO  
23 BE FOR THE YEAR 2000 IN STRATEGIES, I'M GOING TO  
24 JUST BRIEFLY TOUCH UPON WHERE WE WERE IN 1990 FROM  
25 A NUMBERS STANDPOINT, WHERE WE WERE AT THE '95

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1 GOAL YEAR, AND WHAT WE NEED TO DO AS FAR AS SIMPLY  
2 A PROBLEM DEFINITION TO GET TO THE YEAR 2000.

3 BECAUSE MUCH OF THE CONCEPTS AND  
4 STRATEGIES THAT WE'VE HEARD FROM LOCAL  
5 GOVERNMENTS, INDUSTRY, OR LOCAL GOVERNMENT  
6 ADVISORY COMMITTEE, AND, OF COURSE, STAFF DEAL  
7 WITH DEPLOYMENT OF STRATEGIES OR RESOURCES, I  
8 THINK IT'S VERY IMPORTANT THAT WHAT YOU ALSO  
9 RECEIVE TODAY IS A BRIEF PRIMER ON JUST OUR  
10 BUDGET, VERY BRIEFLY HOW OUR RESOURCES ARE  
11 ALLOCATED, WHAT'S OUR FUNDING SOURCES, WHERE OUR  
12 RESOURCES ARE IN THE ORGANIZATION BECAUSE WHATEVER  
13 WE CHOOSE TO DO, WHATEVER DIRECTION THIS BOARD  
14 GIVES THIS DIRECTOR AND STAFF, IT WILL DIRECTLY  
15 RELATE TO HOW WE DEPLOY THOSE RESOURCES BOTH  
16 EXISTING AND IN PROPOSED PROGRAMS.

17 SO, KAORU, GO AHEAD AND PUT THE  
18 FIRST CHART UP. LET ME GO TO MY FIRST POINT,  
19 WHICH IS JUST DEFINING CURRENT STATE AND WHERE  
20 WE'VE BEEN. IT'S PRETTY BASIC. WE HAVE A  
21 50-PERCENT GOAL FOR THE YEAR 2000. AS YOU KNOW,  
22 BACK IN 1990, WE ESTIMATED THAT THE STATEWIDE  
23 DIVERSION WAS AT ABOUT 12 PERCENT OR ABOUT FIVE  
24 AND A HALF MILLION TONS OF SOLID WASTE WAS BEING  
25 DIVERTED IN OUR BASE YEAR OF 1990. THROUGH THE

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1       EFFORTS OF LOCAL GOVERNMENTS, THIS BOARD, PRIVATE  
2       SECTOR, BY 1995 WE HAD SEEN THAT PRETTY MUCH  
3       DOUBLE TO A STATEWIDE DIVERSION ESTIMATE OF 26  
4       PERCENT OR, AGAIN, A DOUBLING OF WHAT WAS DIVERTED  
5       TO ABOUT 11 MILLION TONS.

6                       THE CHALLENGE AHEAD IS PRETTY  
7       SIMPLE. WE NEED TO DOUBLE THAT AGAIN IN THESE  
8       NEXT THREE SHORT YEARS. TO GET TO A 50-PERCENT  
9       DIVERSION RATE, WE NEED TO SEE A DOUBLING OF THAT  
10      11 MILLION TO AN ADDITIONAL 12, 14, POSSIBLY AS  
11      HIGH AS 19 MILLION, AND, OF COURSE, THAT'S A  
12      FUNCTION OF POPULATION AND ECONOMIC ACTIVITY, BUT  
13      WE'RE ESTIMATING RIGHT NOW THAT WE NEED TO  
14      BASICALLY DOUBLE OUR EFFORTS FROM WHERE WE ARE  
15      TODAY.

16                      CLEARLY THIS IS GOING TO BE A  
17      SIGNIFICANT CHALLENGE FOR CITIES AND COUNTIES TO  
18      REACH THAT 50-PERCENT GOAL. I THINK IT'S  
19      IMPORTANT TO NOTE THAT SIGNIFICANT DIVERSION IN  
20      THE COMMERCIAL AND INDUSTRIAL SECTORS ARE GOING TO  
21      BE REQUIRED AS THEY REPRESENT ABOUT 55 PERCENT OF  
22      OUR WASTESTREAM.

23                      SINCE WE'RE TALKING ABOUT THE  
24      WASTESTREAM, I THINK IT'S IMPORTANT GO BACK TO  
25      WHAT WE'VE ALL LEARNED ABOUT THE WASTESTREAM SINCE

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1 1990. AND THIS IS SIMPLY A PIE CHART WHICH  
2 CHARACTERIZES CALIFORNIA'S WASTESTREAM BY MATERIAL  
3 TYPE. YOU ARE GOING TO HEAR ME TALK A LOT MORE  
4 ABOUT MATERIAL MANAGEMENT AS WELL AS WASTE  
5 MANAGEMENT, AND I THINK IT'S A CONCEPT THAT WE  
6 NEED TO MOVE TOWARDS AS WE LOOK AT THIS 50-PERCENT  
7 INITIATIVE, PERHAPS MORE OF A MATERIAL MANAGEMENT  
8 CONCEPT, AND THE OTHER 50 PERCENT THAT IS GOING TO  
9 PROPER LAND DISPOSAL AS MAYBE THE WASTE MANAGEMENT  
10 HANDLING ASPECTS OF THE ORGANIZATION'S MISSION.

11 BUT WITH RESPECT TO THE WASTESTREAM,  
12 I PUT THIS CHART UP HERE BECAUSE I THINK IT'S  
13 GOING TO BE IMPORTANT TO FOCUS. WHAT ARE THE MOST  
14 SIGNIFICANT COMPONENTS OF THE WASTESTREAM? IF  
15 KAORU COULD HELP THOSE IN THE AUDIENCE AS I POINT  
16 TO THOSE, CLEARLY IT'S PAPER OR FIBER REPRESENTED  
17 BY ABOUT 29 PERCENT OF THE WASTESTREAM, AGAIN  
18 SHOWN THERE. THE OTHER AREAS WOULD BE YARD WASTE  
19 OR OTHER ORGANICS THAT REPRESENT SIGNIFICANT  
20 COMPONENTS OF THE WASTESTREAM. AND LASTLY, WE  
21 HAVE INERTS OR C&D.

22 SO AS WE LOOK AT THE PROBLEM  
23 DEFINITION OF WHAT WE NEED TO DIVERT, AND WE  
LOOK

24 AT THE WASTESTREAM, I THINK IT'S PRETTY CLEAR TO



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25       SEE WHERE WE NEED TO FOCUS SOME OF OUR  
ACTIVITIES

1 AS IT RELATES TO THE MATERIAL TYPES.

2 LET ME TALK A LITTLE BIT ABOUT THE  
3 BUDGET THEN. IF YOU WOULD PUT THE -- FIRST OF  
4 ALL, AS WE ACHIEVE THE SUCCESS THAT I'VE JUST  
5 SPOKEN TO FROM BASE YEAR THROUGH '95, AND AS WE  
6 LOOK TO THE FUTURE, IT'S CLEAR THAT WE HAVE  
7 DIMINISHING REVENUES AND THAT'S ANTICIPATED. IN  
8 YOUR PACKET, AND IF I COULD PUT UP THE TREND LINE,  
9 A TREND LINE THAT I'VE USED IN MY BRIEFINGS TO THE  
10 DIVISIONS AND TO ALL OF YOU IN SOME OF OUR  
11 BRIEFINGS, CLEARLY IN 1990 WE WERE LOOKING AT  
12 NEARLY 40 MILLION TONS SHOWN ON THE LEFT-HAND SIDE  
13 OF THAT GRAPH BEING DISPOSED IN CALIFORNIA. AND  
14 WE'RE SEEING THAT DEPICTED BY THE GREEN LINE AS  
15 ACTUAL TONNAGES RECORDED BY BOE AS FOLLOWING THAT  
16 RED LINE WHICH IS THE TREND LINE TO GET OUT TO THE  
17 YEAR 2000. AND, OF COURSE, WE DECLARED, AT LEAST  
18 ON A STATEWIDE BASIS, SUCCESS IN 1995, AND THAT'S  
19 THE, IF YOU WILL, THE PATH WE NEED TO STAY ON TO  
20 ACHIEVE THE GOAL.

21 BETWEEN 1990 AND 1995, ANNUAL SOLID  
22 WASTE LANDFILLING SUBJECTED TO OUR IWMA FEE HAS  
23 FALLEN, AS I SAID, FROM ABOUT 40 MILLION  
TONS TO  
24 33 MILLION TONS. THIS IS A 15-PERCENT

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REDUCTION.

25 THE AMOUNT OF SOLID WASTE ANNUALLY DIVERTED  
FROM

1 LANDFILLS, IN OTHER WORDS, HAS INCREASED BY  
2 APPROXIMATELY FIVE AND A HALF MILLION TONS.

3 THE OTHER AREAS THAT I WANT TO  
4 MENTION AROUND THIS WHOLE TREND IS THE AREA OF  
5 EXPORTS. I THINK IT'S IMPORTANT TO NOTE THAT THE  
6 RATE OF ANNUAL WASTE EXPORT FROM CALIFORNIA HAS  
7 RISEN APPROXIMATELY 280,000 TONS SINCE 1990. IN  
8 OTHER WORDS, IN BASE YEAR 1990 WE SAW 120,000 TONS  
9 OF WASTE MOVING OUT-OF-STATE. WE NOW ESTIMATE  
10 THAT APPROXIMATELY 400,000 TONS WERE EXPORTED IN  
11 1995 AND PERHAPS AN ADDITIONAL 150,000 TONS MAY BE  
12 LEAVING THE STATE BY THE END OF 1998.

13 IF THIS TREND CONTINUES, ANNUAL  
14 DISPOSAL COULD FALL TO LESS THAN 31 MILLION TONS  
15 BY THE END OF 1998. AND THIS WOULD BE A LOSS OF  
16 ONE-FIFTH OR 20 PERCENT OF THE IWMA ORIGINAL  
17 FUNDING BASE.

18 NOW, AS YOU KNOW, THIS WHOLE  
19 PICTURE, IF WE GO BACK TO THE BUDGET CHART, THIS  
20 WHOLE PICTURE IS NOT ONLY INFLUENCED BY JUST WHAT  
21 IS DISPOSED BUT BY ECONOMIC ACTIVITY. WE BUILD  
22 OUR BUDGET FORECASTS BY NOT ONLY THE AMOUNT OF  
23 DIVERSION THAT WE ANTICIPATE THROUGH THE  
24 INFRASTRUCTURE THAT'S BEING BUILT, BUT BY JUST  
25 ECONOMIC ACTIVITY IN THE STATE. IT'S TRUE THAT

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1 CALIFORNIA'S ECONOMY CONTINUES TO EXPAND, THE  
2 UNEMPLOYMENT RATE HAS DROPPED TO 7 PERCENT, AND  
3 RETAIL SALES ARE ON THE RISE. HOWEVER, WHAT WE'RE  
4 SEEING IS CONSTRUCTION ACTIVITY REMAINS MIXED  
5 THROUGHOUT THE STATE WITH STRONG ACTIVITY IN THE  
6 RETAIL SALE MARKET BUT LIMITED GROWTH IN NEW HOME  
7 CONSTRUCTION. AND IT'S ALSO IMPORTANT TO POINT  
8 OUT THAT NATIONAL ECONOMIC GROWTH HAS SLOWED WHICH  
9 WILL ULTIMATELY LIMIT THE EXPANSION OF  
10 CALIFORNIA'S ECONOMY.

11 SO WHAT ARE WE SEEING WITH RESPECT  
12 TO SPECIFIC BUDGET ISSUES? AS YOU KNOW, THE  
13 BOARD'S BUDGET IS SET CURRENTLY AT \$1.34 PER TON,  
14 CAPPED AT \$1.40. AND THE STATUTE REQUIRES THAT  
15 THE IWMB FEE SO THAT REVENUES ARE GENERATED,  
16 QUOTE, EQUIVALENT TO THE APPROVED BUDGET FOR THAT  
17 FISCAL YEAR, INCLUDING A PRUDENT RESERVE, BUT NO  
18 GREATER THAN \$1.40 PER TON.

19 I'VE PUT THIS CHART UP THERE TO SHOW  
20 YOU A COUPLE OF VERY IMPORTANT POINTS. FIRST OF  
21 ALL, AS YOU CAN SEE, WHILE TODAY WE ARE TALKING  
22 ABOUT THE INTEGRATED WASTE MANAGEMENT FUND AND  
23 WHAT IT CAN DO RELATIVE TO USE OF RESOURCES AND  
24 ASSISTANCE TO LOCAL GOVERNMENTS, IT'S IMPORTANT  
TO

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25        NOTE THAT WHILE WE HAVE A \$77 MILLION BUDGET, I

1 THINK THAT CHART DOES A GOOD JOB OF JUST SHOWING  
2 YOU THAT NEARLY 42 PERCENT OF OUR BUDGET IS MADE  
3 UP OF TWO SPECIAL FEES, TIRE AND USED OIL. IN  
4 OTHER WORDS, THE TWO BLUE SHADES ACTUALLY NOW  
5 EXCEED WHAT WE HAVE IN THE INTEGRATED WASTE  
6 MANAGEMENT ACCOUNT IF YOU EXCLUDE THE LOAN PROGRAM  
7 AND OUR DIRECT SET ASIDE FOR 2136.

8 WE HAVE NEARLY \$32 MILLION BEING  
9 COLLECTED BY TIRE AND OIL, AND \$31 MILLION BEING  
10 FORECASTED FOR THE IWMB FOR FISCAL YEAR 7-8. SO I  
11 THINK IT'S IMPORTANT THAT WHEN WE LOOK AT THE  
12 STRATEGIES AND CONCEPTS THAT HAVE BEEN OFFERED IN  
13 THE COMING WEEKS AHEAD BY THE COMMITTEES AND THE  
14 BOARD AND CLEARLY BY THE DISCUSSION WE'RE GOING TO  
15 HAVE LATER, IT'S IMPORTANT TO JUST KEEP THIS  
16 PICTURE IN MIND.

17 HOW HAVE THE RESOURCES HERE AT THE  
18 BOARD BEEN DEPLOYED, IF YOU WILL, ON A TOTAL  
19 AGGREGATE BASIS BY THE IMA? I PUT THIS CHART UP  
20 TO MAKE A COUPLE POINTS. FIRST OF ALL, YOU CAN  
21 KIND OF SEE WE'VE REACHED OUR PEAK IN THE KIND OF  
22 CALENDAR 1995 PERIOD, AND NOW WE'RE STARTING TO  
23 SEE A DOWNWARD TREND AS WE'VE REDUCED POSITIONS  
24 BOTH AUTHORIZED AND FILLED IN THE LATTER TWO  
25 FISCAL YEARS.



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1                   PROBABLY THE MORE IMPORTANT PIECE OF  
2       INFORMATION TO NOTE FROM THIS CHART IS THE  
3       DIFFERENCE BETWEEN THE TOP OF THE BLUE BARS AND  
4       THE TOP OF THE RED BARS.   IN OTHER WORDS, YOU CAN  
5       SEE THAT IN PREVIOUS FISCAL YEARS, WE WERE ABLE TO  
6       GENERATE WHAT WE CALL SALARY SAVINGS OR PRUDENT  
7       RESERVES TO BALANCE THE BUDGET BY KEEPING THE  
8       NUMBER OF FILLED POSITIONS WELL BELOW THE NUMBER  
9       OF AUTHORIZED POSITIONS.

10                  AS YOU LOOK AT THE MORE RECENT  
11       FISCAL YEARS, YOU CAN SEE THAT THAT DISTANCE  
12       BETWEEN THE TOP OF THE RED CHART AND THE TOP OF  
13       THE BLUE CHART HAS GOTTEN MUCH NARROWER.   AND SO  
14       WE ARE NOW FORECASTING A ZERO RESERVE IN CURRENT  
15       YEAR AND ANTICIPATING A SHORTFALL OF \$5 MILLION  
16       IN  
17       THE UPCOMING YEAR UNLESS WE TAKE SOME IMMEDIATE  
18       DIRECTIONS ON REDUCING RESOURCES AND PERHAPS  
19       REDUCING SOME OF OUR LOCAL ASSISTANCE GRANTS AND  
20       THE LIKE.   SO THAT CHART SHOWS KIND OF THE TREND  
21       ON PERSONAL SERVICES.

22                  I'VE ADDED -- I WON'T PUT IT ON  
23       THE  
24       SCREEN NOW, BUT I'VE ADDED FOR YOUR OWN PACKETS  
25       EXACTLY HOW THOSE RESOURCES ARE DEPLOYED BY FUND

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24       AND WITHIN DIVISION.   AND THAT'S SIMPLY THIS  
CHART  
25       THAT YOU ALL HAVE IN YOUR PACKET.

1                   WHAT DOES ALL THIS SAY? WE HAVE A  
2       PRETTY CLEAR PICTURE OF THE PROBLEM DEFINITION.  
3       WE NEED TO DOUBLE OUR EFFORTS ON THE DIVERSION  
4       NUMBERS. WE HAVE A PRETTY CLEAR PICTURE OF WHERE  
5       THE TREND LINE IS GOING ON WHAT IS COMING INTO  
6       LANDFILLS AND WHAT THAT EQUATES TO AS FAR AS A  
7       BUDGET. AND WE PRETTY MUCH HAVE A CLEAR PICTURE  
8       ON WHERE OUR RESOURCES ARE. SO WE HAVE A CURRENT  
9       STATE DEFINED, AND NOW WE NEED TO DECIDE WHAT WE  
10      WANT OUR FUTURE STATE TO LOOK LIKE AND HOW WE  
11      DEPLOY RESOURCES ALONG THAT.

12                   FROM MY PERSPECTIVE, IT'S CRITICAL  
13      THAT WE BEGIN TO FOCUS, FOCUS VERY, VERY DIRECTLY  
14      ON THOSE ACTIVITIES THAT GET US THE BIGGEST BANG  
15      FOR THE BUCK IN THIS ERA OF DECLINING BUDGET  
16      PROTECTIONS.

17                   SEVERAL BOARD INITIATIVES WILL  
18      CONTRIBUTE TO FOCUSING THIS BOARD IN THOSE  
19      ACTIVITIES, AND I WANT TO SPEAK TO THOSE VERY  
20      BRIEFLY BECAUSE IT'S NOT JUST THIS INITIATIVE;  
21      IT'S THOSE THAT HAVE ALREADY BEEN COMPLETED AND  
22      SOME THAT ARE UNDER WAY.

23                   THE TOP SET OF BOXES REPRESENTS SOME  
24      OF THE INITIATIVES THAT THIS BOARD HAS ALREADY  
25      SEEN, DELIBERATED, AND VOTED ON: THE WASTE

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1 PREVENTION PLAN, THE MARKET DEVELOPMENT PLAN, AND  
2 A THREE-YEAR PLAN RECENTLY ADOPTED FOR HOW WE  
3 ALLOCATE TIRE DOLLAR RESOURCES.

4 IN ADDITION, YOU ARE ALL AWARE THAT  
5 I INTRODUCED A PROGRAM IMPLEMENTATION PLAN OR A  
6 PIP PLAN WHICH IS REALLY TO LOOK INTERNALLY IN THE  
7 ORGANIZATION JUST HOW ARE WE DEPLOYING RESOURCES  
8 AND MORE SPECIFICALLY HOW CAN WE EFFECTIVELY  
9 INTEGRATE THOSE RESOURCES SO WE HAVE A MORE  
10 EFFECTIVE IMPLEMENTATION OF OUR PROGRAMS. AND  
11 THAT WORK HAS ALL BEEN GATHERED AND COMPLETED, AND  
12 NOW WE'RE MOVING INTO THE RECOMMENDATION PHASE.

13 TODAY WE'RE GOING TO TALK ABOUT THE  
14 50-PERCENT EFFORTS. P&E ARE UNDERTAKING THEIR OWN  
15 INITIATIVE TO LOOK AT THE REGULATORY HEALTH AND  
16 SAFETY, KIND OF PERMITTING AND ENFORCEMENT SIDE OF  
17 OUR MANDATES AND WHAT THEY SHOULD BE FOCUSING ON.  
18 AND OF COURSE, WE HAVE A WHOLE SERIES OF DATABASE  
19 SYSTEMS THAT ARE BEING INTEGRATED AND DEVELOPED,  
20 AND YOU GOT A GOOD FLAVOR FOR ONE OF THOSE JUST  
21 YESTERDAY IN OUR LANDFILL CAPACITY WORK.

22 IT SHOULD BE NOTED THAT THE GOVERNOR  
23 HAS ASKED FOR ALL BOARDS AND DEPARTMENTS TO SUBMIT  
24 A STRATEGIC PLAN BY JULY 1ST OF 1997. SO I SEE  
25 ALL OF THIS INFORMATION ASSISTING THIS BOARD IN

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1 PUTTING TOGETHER ITS STRATEGIC INITIATIVES FOR OUR  
2 1997 STRATEGIC PLAN.

3 RECOMMENDED CONCEPTS, I THINK IT'S  
4 IMPORTANT TO NOTE THAT WE HAVE CONCEPTS BEFORE YOU  
5 TODAY THAT ARE VERY SIMILAR TO THE ASSEMBLY  
6 OVERSIGHT HEARING. AS YOU RECALL, THEN CHAIR OF  
7 ASSEMBLY NATURAL RESOURCES COMMITTEE, ASSEMBLYMAN  
8 OLBERG, HELD AN OVERSIGHT HEARING ON OCTOBER 7,  
9 1996. THE CHAIRMAN, THE VICE CHAIRMAN, AND MYSELF  
10 PARTICIPATED IN THAT HEARING, AND MANY OF THE  
11 RECOMMENDED CONCEPTS THAT YOU ARE GOING HEAR TODAY  
12 ARE SIMILAR TO THE FINDINGS AND RECOMMENDATIONS  
13 SECTION OF THAT HEARING REPORT. MANY RECOMMENDED  
14 CONCEPTS HAVE BEEN RAISED IN OTHER FORUMS, EITHER  
15 HERE AT THE BOARD, PROFESSIONAL ASSOCIATIONS,  
16 MEETINGS, TECHNICAL AND NONTECHNICAL PUBLICATIONS.

17 AND FINALLY, THE CONCEPT OF  
18 MATERIALS MANAGEMENT AND WASTE MANAGEMENT IS VERY  
19 COMPLEX. CITIES AND COUNTY STRUCTURE IS VERY  
20 COMPLEX, AND, OF COURSE, THE MARKETS WITHIN  
21 CALIFORNIA ARE VERY COMPLEX. SO IT'S NOT  
22 SURPRISING THAT WE HAVE NOT FOUND A SINGLE PATH  
OR  
23 A MAGIC BULLET TO SOLVE THE PICTURE OF GETTING TO  
24 50 PERCENT.

25 SO WITH THAT AS A CONTEXT FOR WHERE



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1 WE ARE, I WANT TO NOW GET INTO THE MORE SPECIFICS  
2 THAT DEAL WITH JUST HOW WE ATTACK THIS PROBLEM  
3 AND, MORE IMPORTANTLY, THE CRITERIA AND THE  
4 RANKING, IF YOU WILL, OF SOME OF THE INITIATIVES  
5 THAT WERE BROUGHT FORWARD BY OUR WORKSHOPS, THE  
6 PRIVATE SECTOR, LOCAL GOVERNMENTS, AND, OF COURSE,  
7 STAFF. SO I'M GOING TO TURN IT OVER TO JUDY  
8 FRIEDMAN, WHO SERVES AS OUR DEPUTY DIRECTOR OF OUR  
9 PLANNING DIVISION, WHO WILL HAVE, I THINK, JUST A  
10 FEW CHARTS TO GO THROUGH, AND THEN LORRAINE VAN  
11 KEKERIX WILL TAKE IT FROM THERE.

12 MS. FRIEDMAN: THANK YOU, RALPH. GOOD  
13 MORNING, BOARD MEMBERS. BEFORE I TURN THE  
14 PRESENTATION OVER TO LORRAINE, I'M GOING TO  
15 BRIEFLY DISCUSS THE APPROACH WE USED TO CONDUCT  
16 THIS ANALYSIS AND PROVIDE YOU WITH A FEW POINTS TO  
17 REMEMBER AS YOU REVIEW THE ANALYSIS AND  
18 RECOMMENDATIONS.

19 FIRST, WE RECOGNIZE THAT A BOARDWIDE  
20 APPROACH WAS NECESSARY FOR CONDUCTING THE  
21 ANALYSIS. CLEARLY, GETTING TO 50 PERCENT HAS  
22 BOARDWIDE IMPACTS; AND, THUS, THE EXECUTIVE STAFF  
23 FELT IT WAS VERY IMPORTANT TO CALL UPON STAFF FROM  
24 THROUGHOUT THE BOARD TO ANALYZE THE MATERIAL.  
25 THE APPROACH USED A MATRIX

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1 MANAGEMENT APPROACH WHEREBY A BOARDWIDE 50-PERCENT  
2 INITIATIVE TEAM WAS ASSEMBLED, CONSISTING OF  
3 REPRESENTATIVES FROM EACH DIVISION, SMALL OFFICE,  
4 AND THE BOARD. THE TEAM MET FREQUENTLY AS THE  
5 ANALYSIS PROGRESSED, AND THE ISSUES AND DECISION  
6 POINTS WERE BROUGHT BEFORE THE EXECUTIVE STAFF FOR  
7 CONCURRENCE THROUGHOUT THE PROCESS. I SERVED AS  
8 THE EXECUTIVE SPONSOR AND LIAISON TO THE EXECUTIVE  
9 STAFF IN THE DEVELOPMENT OF THIS PRODUCT.

10 ALSO, ADDITIONAL BOARDWIDE STAFF  
11 ASSISTED IN THE EVALUATION OF THE CONCEPTS. THE  
12 MATRIX MANAGEMENT APPROACH WAS HIGHLY SUCCESSFUL  
13 AND KEY TO THE QUALITY OF THE ANALYSIS. IT  
14 ALLOWED FOR AN INTEGRATED, CROSS-DIVISIONAL,  
15 CROSS-LEVEL, AND MULTIDISCIPLINARY ANALYSIS. THIS  
16 APPROACH SHOULD BE A MODEL FOR PROJECTS OF THIS  
17 MAGNITUDE.

18 WITH RESPECT TO THE STAFF ANALYSIS,  
19 IT SHOULD BE NOTED THAT THE TEAM PERFORMED A  
20 SCREENING LEVEL ANALYSIS TO ASSIST THE BOARD IN  
21 DETERMINING WHICH OF THE SUGGESTIONS RECEIVED TO  
22 PURSUE FURTHER. REMEMBER THAT THE BOARD CONDUCTED  
23 THREE WORKSHOPS, AND AT THE THREE WORKSHOPS EACH  
24 PERSON PRESENTED ONE OR MORE SUGGESTIONS. THIS  
25 FORMAT, ALTHOUGH CONDUCIVE TO RECEIVING THE

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1 MAXIMUM AMOUNT OF INFORMATION, DID NOT ALLOW FOR  
2 THE IDENTIFICATION OF ALL ISSUES ASSOCIATED WITH  
3 IMPLEMENTING EACH OF THE SUGGESTIONS.

4 IT IS CRITICAL TO REMEMBER THE  
5 FOLLOWING WHEN REVIEWING THE ANALYSIS AND  
6 RECOMMENDATIONS. FIRST, FOR THOSE ITEMS THAT THE  
7 BOARD DIRECTS STAFF TO DEVELOP FURTHER, THE BOARD  
8 AND COMMITTEES WILL NEED ADDITIONAL INFORMATION ON  
9 THE POTENTIAL CONSEQUENCES OF IMPLEMENTING THOSE  
10 SUGGESTIONS AND EXISTING PROGRAMS. AN ANALYSIS OF  
11 EXISTING PROGRAMS WAS OUTSIDE THE SCOPE OF THE  
12 TEAM'S ASSIGNMENT.

13 SECOND, THE TEAM ASSUMED ANY  
14 NECESSARY ADDITIONAL DATA GATHERING WOULD BE  
15 LIMITED TO A FEW MONTHS.

16 THIRD, MANY CONCEPTS ARE MODIFI-  
17 CATIONS OR EXPANSIONS OF EXISTING BOARD PROGRAMS,  
18 AND SIMILAR TOPICS HAVE BEEN DISCUSSED AT  
19 COMMITTEE MEETINGS. AND RALPH REFERRED TO THAT  
20 JUST PREVIOUSLY.

21 FOURTH, IF BOARD WISHES TO PROCEED  
22 WITH LEGISLATION IN 1997, DECISIONS NEED TO BE  
23 MADE AND LANGUAGE DEVELOPED BY EARLY MARCH FOR  
24 CONSIDERATION BY ASSEMBLY AND SENATE POLICY  
25 COMMITTEES IN APRIL.

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1                   FIFTH, THERE IS A LIMITED THREE-YEAR  
2 WINDOW OF OPPORTUNITY BETWEEN NOW AND THE YEAR  
3 2000 FOR THE BOARD AND CITIES AND COUNTIES TO  
4 DEVELOP INFORMATION AND IMPLEMENT PROGRAMS TO MEET  
5 50-PERCENT DIVERSION.

6                   FINALLY, NEW ACTIVITIES NEED TO BE  
7 IMPLEMENTED TO THE POINT WHERE THEY WILL ACTUALLY  
8 REDUCE THE WASTESTREAM WITHIN THE THREE YEARS TO  
9 ASSIST CITIES AND COUNTIES TO MEET THE GOAL.

10                  SO THOSE ARE SOME KEY POINTS TO KEEP  
11 IN MIND AS WE GO THROUGH THIS PRESENTATION. AND  
12 NOW I WOULD LIKE TO INTRODUCE LORRAINE VAN  
13 KEKERIX, WHO IS THE TEAM LEADER OF THE 50-PERCENT  
14 INITIATIVE TEAM, AND LORRAINE WILL PRESENT THE  
15 METHODOLOGY AND DISCUSS THE STRATEGIES AND  
16 CONCEPTS.

17                  MS. VAN KEKERIX: FOLLOWING ON WITH WHAT  
18 JUDY JUST TOLD US ABOUT THE ITEMS THAT WERE  
19 CRITICAL TO REMEMBER, THAT WAS THE BASIS FOR THE  
20 TEAM GETTING TOGETHER TO COME UP WITH A METHOD FOR  
21 ANALYZING THE INPUT THAT THE BOARD RECEIVED. WE  
22 HAD THREE BOARD WORKSHOPS, AND THOSE BOARD  
23 WORKSHOPS WERE HELD IN NORTHERN AND SOUTHERN  
24 CALIFORNIA. THEY WERE HELD IN CONJUNCTION WITH  
25 THE LOCAL GOVERNMENT TECHNICAL ADVISORY COMMITTEE



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1 MEETING HERE AT THE BOARD, AND THEY WERE ALSO HELD  
2 IN CONJUNCTION WITH THE REGIONAL COUNCIL OF RURAL  
3 COUNTIES MEETING THAT WAS HAPPENING IN SACRAMENTO  
4 THE SAME DAY. SO WE GOT INPUT FROM A VARIETY OF  
5 PEOPLE, FROM INDUSTRY, FROM LOCAL GOVERNMENTS,  
6 FROM VARIOUS INTEREST GROUPS.

7 WE ALSO SOLICITED IDEAS FROM STAFF,  
8 AND MANY LOCAL JURISDICTIONS WERE UNABLE TO  
9 ATTEND. AND SO WHEN STAFF VISITED THE LOCAL  
10 JURISDICTIONS, WE GOT ADDITIONAL INPUT FROM THOSE  
11 JURISDICTIONS WHO WERE UNABLE TO TRAVEL TO THE  
12 MEETINGS.

13 WE GOT APPROXIMATELY A THOUSAND  
14 DIFFERENT SUGGESTIONS FROM CITIES, COUNTIES,  
15 INDUSTRY, PUBLIC, AND STAFF. THERE WERE A VERY  
16 WIDE VARIETY OF SUGGESTIONS, AND SOME OF THEM  
17 RELATED TO OTHER WORK THAT WAS GOING ON HERE AT  
18 THE BOARD. AND THOSE IDEAS WERE REFERRED TO OTHER  
19 WORK TEAMS WHO WERE WORKING ON THE OTHER IDEAS.

20 THE IDEAS THAT WE CHOSE TO MOVE  
21 FORWARD ON WERE NOT THE BOARD'S EXISTING  
22 ACTIVITIES AND COMPLETED PROJECTS, BUT THE  
23 ANALYSIS THAT YOU SEE BEFORE YOU TODAY WAS LIMITED  
24 TO REQUESTS FOR NEW ACTIVITIES OR EXPANSION OF  
25 EXISTING ACTIVITIES.

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1                   MANY OF THE SUGGESTIONS WERE VERY  
2       SIMILAR.   SO IN ORDER TO MAKE THIS A MORE WORKABLE  
3       PROJECT, WE COMBINED SUGGESTIONS WITH LIKE THEMES.  
4       THE SUGGESTIONS RANGED FROM FUNDAMENTAL CHANGES IN  
5       STATUTES TO REQUESTS FOR DIFFERENT COMPUTER  
6       FORMATS ON DOCUMENTS WE PRODUCE.   WE DID NOT  
7       CHANGE THE BASIC SUGGESTION IN TERMS OF WHAT THE  
8       IDEA WAS OR THE STRINGENCY OF THE SUGGESTIONS.

9                   FOR EXAMPLE, WE GOT MANY REQUESTS  
10      FOR LOOKING AT THE IDEA OF UNIT PRICING, ALSO  
11      REFERRED TO AS VARIABLE CAN RATES OR PAY AS YOU  
12      THROW, AND WE EVALUATED EACH LEVEL OF IDEA  
13      SEPARATELY.   SOME IDEAS WERE TO ENCOURAGE UNIT  
14      PRICING; OTHER IDEAS WERE TO MANDATE UNIT PRICING.  
15      THE EVALUATION WAS CONDUCTED USING A STANDARD SET  
16      OF CRITERIA.   I AGAIN WANT TO EMPHASIZE THAT THE  
17      BOARD IS GOING TO NEED ADDITIONAL INFORMATION ON  
18      THE ISSUES THAT IT PURSUES FURTHER.

19                  THE EVALUATION CRITERIA THAT WE  
20      DEVELOPED ALL RELATE TO GETTING TO 50 PERCENT.   WE  
21      LOOKED AT COSTS TO THE BOARD AND COSTS TO OTHERS.  
22      OUR ESTIMATE OF COST TO OTHERS WAS MORE BROAD THAN  
23      OUR COST TO THE BOARD BECAUSE WE DIDN'T HAVE AS  
24      MUCH INFORMATION ON COSTS TO OTHERS, BUT WE DID  
25      TRY TO INCLUDE ALL PARTIES AFFECTED IN OUR

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1 ESTIMATE. WE LOOKED AT THE POTENTIAL IMPACT ON  
2 THE TOTAL WASTESTREAM, BOTH THE PERCENT OF THE  
3 TOTAL WASTESTREAM THE IDEA RELATED TO AND THE  
4 PERCENT DIVERSION OF THAT SPECIFIC WASTESTREAM  
5 THAT WE EXPECTED THE IDEA WOULD GIVE.

6 FOR INSTANCE, GREEN WASTE IS A LARGE  
7 PORTION OF THE WASTESTREAM, AND WE GOT A RANGE OF  
8 IDEAS, SOME OF WHICH WOULD DIVERT SMALL PARTS OF  
9 GREEN WASTE AND OTHERS THAT WOULD RANK MUCH HIGHER  
10 BECAUSE THEY DIVERTED A LARGER PORTION OF THE  
11 GREEN WASTE.

12 WE ALSO LOOKED AT THE LIKELIHOOD FOR  
13 SUCCESSFUL IMPLEMENTATION, AND THAT INCLUDED BOTH  
14 A RANKING OF WHETHER IT HAD BEEN SUCCESSFUL  
15 ELSEWHERE AND THE TIME TO OPTIMIZE THE IMPACT ON  
16 THE WASTESTREAM. AND THAT TIME TO OPTIMIZE  
17 INCLUDED THE TIME NEEDED FOR ANY CHANGES IN LEGIS-  
18 LATION, DEVELOPMENT OF MATERIALS, AND IMPLEMEN-  
19 TATION OF THE IDEA AT THE LOCAL LEVEL.

20 OUR SPHERE OF INFLUENCE CATEGORY  
21 LOOKED AT WHO WOULD BE IMPACTED AROUND THE STATE  
22 IN TERMS OF POPULATION, PERCENT OF CITIES AND  
23 COUNTIES, AND THE SECTORS, RESIDENTIAL,  
24 COMMERCIAL, AND INDUSTRIAL.

25 WE HAD EIGHT PANELS OF STAFF,

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1        APPROXIMATELY THREE TO FIVE STAFF PER PANEL, AND  
2        THEY EVALUATED THE CONCEPTS WITHIN A CATEGORY.  
3        EACH OF THESE PANELS HAD EXPERIENCE IN WORKING  
4        WITH THE TOPICS IN THE CATEGORY.

5                        AND THE PANELS RECOMMENDED BETWEEN  
6        THREE AND 13 CONCEPTS FOR FURTHER BOARD  
7        CONSIDERATION.  THERE WERE FOUR COMMON THEMES THAT  
8        YOU WILL SEE IN THE CONCEPTS THAT RANKED HIGH AND  
9        I'LL BE DESCRIBING A LITTLE LATER.  FIRST WAS  
10       FOCUSING BOARD EFFORTS ON FEWER AND MOST EFFECTIVE  
11       ACTIVITIES.  SECOND WAS PROMOTING PARTNERSHIPS TO  
12       LEVERAGE RESOURCES BOTH HERE AT THE BOARD AND AT  
13       THE LOCAL LEVEL AND TO WORK MORE EFFICIENTLY.  THE  
14       THIRD COMMON THEME WAS ESTABLISHING MORE FINANCIAL  
15       INCENTIVES FOR DIVERSION.  AND A FOURTH COMMON  
16       THEME WAS PLACING REQUIREMENTS ON CITIES AND  
17       COUNTIES THAT DON'T MEET THE GOALS.

18                      SO WHAT KIND OF CHARACTERISTICS DID  
19       THE HIGHEST RANKING CONCEPT HAVE?  WELL, THE  
20       HIGHEST RANKING ONE, AND I'M NOT SURE WE HAD ONE  
21       THAT CAME OUT THE HIGHEST ON EVERY ONE OF THESE,  
22       WOULD BE LOWEST COST, HIGH DIVERSION, VERY  
23       SUCCESSFUL ELSEWHERE, COULD BE OPTIMIZED SHORTLY,  
24       HAVE AN IMPACT ON THE WASTESTREAM IN THE VERY  
25       SHORT TIME, AND BE EFFECTIVE IN ALL SPHERES OF



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1 INFLUENCE, FOR THE LARGEST PORTION OF POPULATION,  
2 THE LARGEST NUMBER OF SECTORS. THE LEVEL OF  
3 STRINGENCY AFFECTED THE LEVEL OF CERTAINTY THAT WE  
4 HAD WHEN WE WERE EVALUATING THESE. SO THE MOST  
5 STRINGENT KIND OF IDEAS IN TERMS OF MANDATING  
6 SUGGESTIONS HAD THE MOST CERTAINTY, AND THEY  
7 TENDED TO RANK HIGHER. THE STAFF EXPECT THAT A  
8 NUMBER OF THESE IDEAS, NOT THE LEVEL OF  
9 STRINGENCY, WILL GET DISCUSSED WHEN THE BOARD  
10 DECIDES WHICH CONCEPTS TO PURSUE.

11 FOR INSTANCE, IN THE AREA OF UNIT  
12 PRICING, WE HAD DIFFERENT IDEAS THAT RANGE FROM  
13 ENCOURAGING UNIT PRICING TO MANDATING UNIT  
14 PRICING. AND WE WOULD EXPECT THAT THE BOARD WOULD  
15 HEAR ALL OPINIONS ON THE IDEA OF UNIT PRICING,  
16 INCLUDING ALL THOSE LEVELS OF STRINGENCY, AT THE  
17 TIME THAT IT HEARD THE IDEA.

18 MOVING ON TO THE IDEAS THEMSELVES,  
19 WE HAD THREE BROADER CONCEPTS THAT CAME OUT WHEN  
20 WE WERE LOOKING AT THE HIGHEST RANKING IDEAS. THE  
21 FIRST OF THOSE WAS TO FOCUS ON FEWER KEY PROGRAMS  
22 THAT WILL EFFECTIVELY LEAD TO 50 PERCENT. WHAT WE  
23 LOOKED AT THERE WAS FOCUSING ON LARGEST TYPES,  
24 WASTE TYPES, AND WASTE GENERATORS AND TAKING A  
25 LOOK AT NONMANDATED PROGRAMS FIRST AND THEN

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1       LOOKING AT MANDATED PROGRAMS. TO DO THIS, YOU  
2       MIGHT NEED TO HAVE SOME LEGISLATION TO REMOVE  
3       MANDATES FOR ANY LESS EFFECTIVE PROGRAMS.

4                       THE SECOND OF THESE BROADER CONCEPTS  
5       IS SOMEWHAT A SUBCONCEPT OF THE FIRST IDEA, AND  
6       THAT IS TAKING A LOOK AT THE EFFECTIVENESS OF  
7       PROGRAMS, EVALUATING EXISTING PROGRAMS, AND  
8       DIRECTING STAFF TO EFFECTIVE PROGRAMS. EFFECTIVE-  
9       NESS WAS DEFINED OR ASSUMED BY OUR TEAM TO BE  
10      RELATIVELY HIGH DIVERSION FOR RELATIVELY LOW COST.  
11      AND WE ALSO ASSUMED THAT THIS WOULD INCLUDE REVIEW  
12      OF ONGOING COSTS TO MAINTAIN PROGRAMS AND  
13      INFORMATION.

14                      THE THIRD OF THE BROADER CONCEPTS  
15      WAS EXEMPTING RURAL JURISDICTIONS FROM DIVERSION  
16      PLANNING AND DIVERSION MEASUREMENT. THE RURAL  
17      JURISDICTIONS HAVE SAID THAT IT'S COMPARATIVELY  
18      MORE COSTLY FOR THEM TO DO DIVERSION PLANNING AND  
19      DIVERSION MEASUREMENT. THEY ALSO FORM A SMALL  
20      PORTION OF THE WASTESTREAM.

21                      DEPENDING ON THE OUTCOME OF THE  
22      BOARD DECISIONS ON THESE THREE CONCEPTS, THE  
23      REMAINING CONCEPTS COULD BE IMPACTED. IF THE  
24      BOARD CHOOSES TO FOCUS ON THE LARGEST WASTE TYPES  
25      AND GENERATORS, SOME OF THE REMAINING CONCEPTS

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1        WOULD BE LIMITED TO FOCUSING ON THE LARGEST WASTE  
2        TYPES AND GENERATORS.  IF THE BOARD CHOOSES TO  
3        PURSUE LEGISLATION FOR EXEMPTING RURAL JURIS-  
4        DICTIONS, THE RESOURCES ALLOCATED TO ASSISTING  
5        RURAL JURISDICTIONS COULD BE ALLOCATED TO OTHER  
6        ACTIVITIES.

7                        MOVING INTO THE MORE SPECIFIC  
8        CATEGORIES, THE FIRST ONE THAT WE HAD WAS FUNDING  
9        AND FINANCIAL INCENTIVES.  WE RECEIVED MANY  
10       SUGGESTIONS FROM A VARIETY OF SOURCES, INCLUDING  
11       JURISDICTIONS AND VARIOUS BUSINESS AND INDUSTRY,  
12       THAT WE SHOULD FOCUS MORE ON FUNDING AND FINANCIAL  
13       INCENTIVES.  AND THE MAIN IDEAS IN THIS CATEGORY  
14       RELATED TO MORE RESOURCES FOR THE BOARD, CITIES,  
15       AND COUNTIES, AND THERE ARE A VARIETY OF WAYS THAT  
16       WE COULD GET THESE RESOURCES.

17                      FIRST, THE POSSIBILITY OF RAISING  
18       THE INTEGRATED WASTE MANAGEMENT FEE; SECOND,  
19       ACCESSING MORE OUTSIDE GRANT FUNDS; AND, THIRD,  
20       MAKING MORE RESOURCES AVAILABLE BY MORE EFFICIENT  
21       USE OF RESOURCES THROUGH JOINT INITIATIVES AND  
22       PARTNERSHIPS.

23                      AND THE SECOND MAJOR CATEGORY OF  
24       IDEAS WAS INCREASING FINANCIAL INCENTIVES FOR  
25       DIVERSION.  AND AGAIN, THERE ARE SEVERAL WAYS THAT

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1       THIS COULD BE DONE.   THE HIGHEST RANKING INCLUDED  
2       INCREASING IMPLEMENTATION OF UNIT PRICING AND  
3       DISCLOSING TRUE DISPOSAL COSTS SO THAT PEOPLE KNOW  
4       THE COST OF DISPOSAL VERSUS THE COST OF DIVERSION.

5                       OUR NEXT CATEGORY WAS COST-  
6       EFFECTIVENESS AND PROGRAM COMPARISON.   JURIS-  
7       DICTIONS IN PARTICULAR SUGGESTED MANY ACTIVITIES  
8       TO REDUCE COSTS OR PROVIDE THEM WITH INFORMATION  
9       THAT ALLOWED THEM TO COMPARE COSTS OF VARIOUS  
10      WASTE MANAGEMENT AND DIVERSION PROGRAMS.   THE  
11      MODELS INCLUDE BOTH CASE STUDY INFORMATION AND  
12      EXPANSION OF EXISTING OR NEW MODELS FOR COMPARING  
13      PROGRAMS, WHICH IS AN EXPANSION OF EXISTING BOARD  
14      ACTIVITIES.   AND THE SECOND IDEA HERE WAS  
15      LEVERAGING BUYING POWER THROUGH STATE CONTRACTS.  
16      AND THIS WOULD BE SIMILAR TO THE LOCAL GOVERNMENT  
17      PURCHASE OF POLICE CARS THROUGH STATE CONTRACTS TO  
18      TAKE ADVANTAGE OF VOLUME PRICING, BUT COULD BE  
19      APPLIED TO DIVERSION EQUIPMENT AS WELL.

20                      THE NEXT CATEGORY THAT WE HAD WAS  
21      PUBLIC AFFAIRS AND EDUCATION.   AND AGAIN, MANY OF  
22      THE REQUESTS FOR INCREASED PUBLIC EDUCATION  
23      PROGRAMS WERE JURISDICTIONS.   AND THAT IS  
24      PRIMARILY BECAUSE THE MEDIA MARKETS ARE ACROSS  
25      JURISDICTION BOUNDARIES, AND VERY OFTEN PUBLIC



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1        EDUCATION HAS BEEN COSTLY.    THEY ASKED THAT THE  
2        BOARD LOOK AT WAYS TO INCREASE THE PUBLIC AWARE-  
3        NESS OF THE 50-PERCENT GOAL, AND THERE ARE SEVERAL  
4        WAYS THAT THE BOARD COULD DO THAT.    FIRST, THROUGH  
5        TARGETING PUBLIC EDUCATION CAMPAIGNS TO AREAS WITH  
6        THE LARGEST POPULATION, SUCH AS SOUTHERN  
7        CALIFORNIA.    THEN BECAUSE OF THE COST OF MANY  
8        MULTIMEDIA PUBLIC EDUCATION CAMPAIGNS, IDENTIFYING  
9        LOWER COST OPTIONS FOR NEW PUBLIC EDUCATION  
10       CAMPAIGNS.    AND THIRD, INCREASING THE PERSONAL  
11       CONTACT THROUGH OUTREACH EVENTS SUCH AS FAIRS AND  
12       CONFERENCES.

13                    AND THE LAST IDEA IN THE PUBLIC  
14       EDUCATION ARENA RELATES TO COMPUTERS.    WE HAVE  
15       REQUESTS FROM JURISDICTION AND INDUSTRY TO DO A  
16       LOT MORE WORK WITH INTERNET.    AND THE BULK OF  
17       THOSE IDEAS, IN FACT ALL BUT THIS ONE, HAVE  
18       ALREADY BEEN IMPLEMENTED BY THE BOARD.    SO OUR  
19       FINAL IDEA IN PUBLIC EDUCATION IS ESTABLISHING

A

20       CHAT ROOM ON THE BOARD HOME PAGE, AND THIS  
WOULD

21       BE A FORUM FOR DISCUSSION AND INTERACTION  
BETWEEN

22       INTERESTED PARTIES AND THE BOARD.

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23 THE NEXT CATEGORY OF IDEAS THAT

WE

24 HAD WAS DISPOSAL GOALS AND GOAL MEASUREMENT.

THE

25 CATEGORY HAD A NUMBER OF DIFFERENT KINDS OF  
IDEAS

1        WITHIN IT.    FIRST, THERE SEEMED TO BE CONFUSION  
2        ABOUT WHAT THE BOARD CURRENTLY DOES.    SO THERE  
3        WERE REQUESTS THAT THE BOARD EXPAND ITS WORK TO  
4        REVIEW PROGRAMS IMPLEMENTED AS WELL AS GOAL  
5        MEASUREMENT.

6                    THE SECOND IDEA IN THIS CATEGORY WAS  
7        ALLOWING MORE TRANSFORMATION TO COUNT AS  
8        DIVERSION, AND THIS HAS BEEN AN ONGOING DEBATE  
9        SINCE THE START OF THE INTEGRATED WASTE MANAGEMENT  
10       ACT.

11                   THE LAST TWO CONCEPTS IN THIS  
12       CATEGORY RELATE TO ONGOING WORK IN THE AREA OF  
13       GOAL MEASUREMENT.    THE FIRST IDEA, MEASURE THE  
14       GOAL FOR A LARGER REGION, NOT BY INDIVIDUAL  
15       JURISDICTION, RELATES TO THE PROBLEM -- THE  
16       PRIMARY BASE YEAR INACCURACY PROBLEM OF PROBLEMS  
17       WITH ALLOCATING WASTE TO JURISDICTION.    AND YOU  
18       DON'T HAVE THAT PROBLEM ON A LARGER BASIS.

19                   AND THE SECOND OF THESE IS TO  
20       CONTINUE TO DEVELOP SOLUTIONS TO GOAL  
MEASUREMENT

21       PROBLEMS.    THIS WOULD BE BOTH BASE YEAR AND  
22       CURRENT GOAL MEASUREMENT.

23                   ANOTHER AREA WHERE WE HAD A LOT OF  
24       REQUESTS, AND THIS IS PRIMARILY FROM CITIES AND  
25       COUNTIES WHO ARE RESPONSIBLE FOR MEETING THE

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1        50-PERCENT GOAL, WAS IN THE AREA OF LOCAL  
2        DIVERSION ASSISTANCE. CITIES AND COUNTIES HAVE  
3        INDICATED THAT WITH CHANGES IN STATE AND FEDERAL  
4        LAW, THERE IS AN INCREASING SHIFT TO LOCAL  
5        RESPONSIBILITY FOR FUNDING OF A WIDE VARIETY OF  
6        PROGRAMS, WHICH MEANS THAT THEY MAY HAVE LESS  
7        MONEY FOR WASTE DIVERSION PROGRAMS.

8                        SO THE IDEAS THAT THE LOCAL  
9        GOVERNMENTS PUT FORWARD WERE THAT THE BOARD SHOULD  
10       COORDINATE ITS ASSISTANCE. IN OTHER WORDS, WE  
11       SHOULD DO SOME CROSS-TOPIC ASSISTANCE SO THAT  
12       HOUSEHOLD HAZARDOUS WASTE, MARKET DEVELOPMENT  
13       ASSISTANCE, LOCAL -- OTHER KIND OF LOCAL  
14       ASSISTANCE WOULD BE COORDINATED, AND THAT THE  
15       BOARD SHOULD SHIFT TO PROVIDING MORE ASSISTANCE ON  
16       IMPLEMENTING PROGRAMS.

17                       SECONDLY, THEY ASKED FOR MORE  
18       IMPLEMENTATION TOOLS. AND IMPLEMENTATION TOOLS  
19       COULD INCLUDE THE MODELS THAT I MENTIONED ABOVE.  
20       THEY COULD INCLUDE HOW-TO GUIDES, REGIONAL  
21       WORKSHOPS, A VARIETY OF THINGS THAT WE'RE ALREADY  
22       DOING, BUT THEY ASKED FOR EXPANSION.

23                       THIRD, THEY ASKED THAT THE BOARD  
24       FACILITATE PARTNERSHIPS TO REACH 50 PERCENT. THE  
25       JURISDICTIONS ARE ALL AWARE THAT BUSINESS AND

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1       INDUSTRY HAVE THE MAJORITY OF THE WASTESTREAM IN  
2       MOST OF THEIR COMMUNITIES, AND THEY WOULD LIKE THE  
3       BOARD TO WORK TO FACILITATE PARTNERSHIPS TO HELP  
4       GET TO 50 PERCENT.

5                       ADDITIONAL LOCAL ASSISTANCE IDEAS  
6       INCLUDE PROVIDING COMMUNICATION AND NETWORKING  
7       OPPORTUNITIES, WHETHER IT WAS THROUGH REGIONAL  
8       WORKSHOPS, OUR NEWSLETTER HERE, INCLUDING FORUMS  
9       FOR INTERACTION BETWEEN JURISDICTIONS, OR, AGAIN,  
10      WORKING IN COORDINATION AND PARTNERSHIP WITH  
11      BUSINESS, INCLUDING THE WASTE MANAGEMENT INDUSTRY.

12                      LOCAL JURISDICTIONS ALSO INDICATED  
13      THAT THEY WOULD RECEIVE INCREASED ASSISTANCE IF WE  
14      HAD MORE INTERNAL TRAINING OPPORTUNITIES FOR  
15      TECHNICAL, HANDS-ON, PROGRAM-RELATED TRAINING, AND  
16      THAT THEY WERE ABLE TO TAKE ADVANTAGE OF THOSE  
17      TRAINING OPPORTUNITIES AS WELL.

18                      AND FINALLY, ONE THAT WOULD SEEM TO  
19      BE VERY COSTLY, INCREASING STAFF PRESENCE IN  
20      CITIES AND COUNTIES, BUT I THINK THAT IN  
21      CONJUNCTION WITH OTHER IDEAS OF COORDINATING  
22      ACTIVITIES AND LOOKING AT THE MOST EFFICIENT WAY  
23      OF USING RESOURCES, WE CAN LOOK AT WAYS TO CUT  
24      COSTS, BUT HELP STAFF GET OUT TO WORK WITH THE  
25      CITIES AND COUNTIES.



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1                   OUR NEXT AREA WAS MARKET DEVELOP-  
2       MENT. WE HAD A WIDE VARIETY OF REQUESTS FOR  
3       INCREASED MARKET DEVELOPMENT ACTIVITY FROM VARIOUS  
4       BUSINESSES AND FROM JURISDICTIONS AS WELL. FIRST  
5       IDEA ON THIS IS TO INCREASE BUSINESS OUTREACH  
6       ACTIVITY. AGAIN, BECAUSE BUSINESS AND INDUSTRY  
7       DOES HAVE THE BULK OF THE WASTE IN MOST  
8       COMMUNITIES AND THE MANDATE FOR REDUCING WASTE IS  
9       NOT ON THOSE INDUSTRIES IN ALL BUT A FEW CASES,  
10      THE SUGGESTION WAS THAT THE BOARD INCREASE  
11      BUSINESS OUTREACH ACTIVITIES TO INCREASE  
12      DIVERSION.

13                   THE SECOND IDEA IS TO INCREASE GREEN  
14      WASTE DIVERSION. THERE ARE LARGE MARKETS IN THE  
15      AREAS OF AGRICULTURE, LANDSCAPING, NURSERY,  
16      BUILDING CONSTRUCTION. AND THE REQUEST WAS THAT  
17      WE INCREASE OUR WORK ON THOSE AREAS TO INCREASE  
18      DIVERSION.

19                   CONSTRUCTION AND DEMOLITION WASTE IS  
20      ALSO A LARGE PART OF THE MARKET. THE IDEAS IN  
21      THIS CONCEPT RELATED TO INCREASING WORK WITH  
22      BUILDING DEPARTMENTS TO ALLOW FOR REUSE OF  
23      CONSTRUCTION AND DEMOLITION MATERIALS AS WELL AS  
24      EXPANDING THE MARKETS FOR THEM.

25                   IN THE AREA OF RMDZ OUTREACH AND

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1 TECHNICAL ASSISTANCE, PEOPLE LIKED WHAT HAD BEEN  
2 HAPPENING IN RMDZ'S IN TERMS OF TECHNICAL  
3 ASSISTANCE, BUT REQUESTED WE EXPAND OUR  
4 ACTIVITIES. THIS ALSO INCLUDED IDEAS OF INCREASED  
5 WORK WITH PRIVATE LENDERS TO INCREASE THE AMOUNT  
6 OF MONEY AVAILABLE FOR LOANS TO BUSINESSES WITHIN  
7 RMDZ'S.

8 AND THE FINAL IDEA IN MARKET  
9 DEVELOPMENT WAS INCREASING AWARENESS AND  
10 INFORMATION ABOUT PRIORITY MATERIALS. AND THIS  
11 WOULD BE FOCUSED ON A FEW LARGE MATERIALS FOR THE  
12 LARGEST COMMERCIAL AND INDUSTRIAL AREAS WITHIN THE  
13 STATE AND WOULD BE AN EXPANSION OF EXISTING WORK  
14 ON THE QUARTERLY MARKETS REPORTS.

15 THE NEXT CATEGORY THAT WE HAD WAS  
16 WASTE PREVENTION. THE FIRST IDEA THAT CAME  
17 FORWARD IN THIS WAS BANNING GREEN WASTE DISPOSAL  
18 IF JURISDICTIONS ARE NOT MEETING 25 AND 50  
19 PERCENT. WHAT THIS WOULD DO WOULD BE -- WOULD NOT  
20 IMPOSE REQUIREMENTS ON JURISDICTIONS THAT ARE  
21 MEETING THE GOALS; BUT IF THERE IS A PROBLEM, IT  
22 WOULD IMPOSE A BAN ON DISPOSAL OF GREEN WASTE.

23 THE SECOND IDEA IS ANOTHER ADDI-  
24 TIONAL REQUIREMENT FOR ANY CITIES OR COUNTIES THAT  
25 ARE NOT MEETING THE 25 PERCENT, AND THAT WOULD BE

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1 TO REQUIRE THE UNIT PRICING IF THEY AREN'T MEETING  
2 THE 25 AND 50 PERCENT. AND AGAIN, THIS WOULD NOT  
3 APPLY TO JURISDICTIONS THAT HAD MET THE GOAL.

4 THE THIRD IDEA IN THIS CATEGORY IS  
5 PROMOTING EFFICIENT USE OF RESOURCES TO BUSI-  
6 NESSES. BUSINESS CAN TAKE A LOOK AT AVOIDED  
7 DISPOSAL COST WHEN LOOKING AT WASTE PREVENTION,  
8 BUT THAT ISN'T GOING TO BE AS BIG A PORTION OF  
9 THEIR COSTS AS EFFICIENT USE OF RESOURCES. SO  
10 INCREASING OUR WORK IN PROMOTING EFFICIENT USE OF  
11 RESOURCES WILL SHOW BUSINESSES THE IMPACT ON THE  
12 BOTTOM LINE.

13 AND THE FINAL IDEA IN THE WASTE  
14 PREVENTION CATEGORY RELATES TO TRANSPORT  
15 PACKAGING. TRANSPORT PACKAGING IS A LARGE PORTION  
16 OF THE WASTESTREAM, AND THIS IDEA INVOLVES  
17 INCREASING KNOWLEDGE AND INFORMATION ABOUT REUSE  
18 OF MATERIAL AND LIGHTER WEIGHT PACKAGING  
19 ALTERNATIVES.

20 AND OUR FINAL CATEGORY IS FACILITY  
21 OPERATIONS, PERMITTING AND ENFORCEMENT. AND THERE  
22 IS A CRITICAL LINK BETWEEN OUR PERMIT ENFORCEMENT  
23 WORK AND 50-PERCENT DIVERSION, AND A LARGE PART OF  
24 THAT IS REFLECTED IN OUR TIERED PERMITS OF  
25 DIVERSION FACILITIES. WE NEED FACILITIES TO HELP

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1 GET THIS MATERIAL DIVERTED.

2 WE HAVE THREE CONCEPTS THAT CAME  
3 FORWARD IN THIS CATEGORY. THE FIRST WAS TO EXPAND  
4 ON OUR TRAINING ON ORGANIC MATERIAL RECYCLING  
5 ISSUES. WE HAD SOME WORKSHOPS. THESE WOULD BE  
6 ADDITIONAL WORKSHOPS WITH A BROADER AUDIENCE,  
7 LEA'S, OPERATORS, AND JURISDICTIONS.

8 THE SECOND IDEA HERE WAS TO PROVIDE  
9 INCREASED INFORMATION AND GUIDANCE ON INCREASING  
10 DIVERSION ACTIVITIES THAT ARE OCCURRING AT  
11 LANDFILLS.

12 AND THE THIRD IDEA IN THIS CATEGORY  
13 WAS PROVIDING GUIDANCE TO FACILITATE SITING OF  
14 DIVERSION FACILITIES AT LANDFILLS, SO YOU WOULD  
15 HAVE ALL YOUR MATERIALS MANAGEMENT, WASTE  
16 MANAGEMENT ACTIVITIES POTENTIALLY OCCURRING IN THE  
17 SAME PLACE.

18 MR. CHANDLER: AS LORRAINE SAID, THAT WAS  
19 OUR FINAL CATEGORY, AND SO MAYBE JUST TO SUMMARIZE  
20 VERY BRIEFLY THE STAFF'S RECOMMENDATIONS, IF I  
21 COULD GIVE YOU THREE RECOMMENDATIONS, IT WOULD BE  
22 TO FOCUS, FOCUS, FOCUS. IN OTHER WORDS, WE HAVE A  
23 LOT OF REQUESTS, SOME GOOD IDEAS FROM JURIS-  
24 DICTIONS THAT WOULD LIKE TO SEE US EXPAND OUR  
25 ACTIVITIES IN A LOT OF AREAS. AS THE BUDGET



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1 PICTURE OUTLINE THAT I DID EARLIER, WE SIMPLY  
2 CANNOT DO THAT. SO WE NEED TO ESSENTIALLY LOOK AT  
3 NUMBER CONCEPT 1. WE NEED TO DO FEWER THINGS, BUT  
4 DO THEM WELL. DO THEM IN AN EXCELLENT MANNER IN  
5 THAT REGARD. THE OLD RIFLE SHOT VERSUS THE  
6 SHOTGUN.

7 CONCEPT 2, AS I JUST SAID, IS TO  
8 THEN DO THOSE PROGRAMS IN A FOCUSED MANNER SO THAT  
9 THE RESOURCES ARE DEPLOYED EFFICIENTLY. AND THE  
10 THIRD BROAD FOCUS WAS IS THAT THE BOARD WANTS TO  
11 ENTERTAIN THIS CONCEPT OF LOOKING AT EXEMPTING  
12 RURAL JURISDICTIONS OR PROVIDING RELIEF TO RURAL  
13 JURISDICTIONS THAT ARE FINDING IT STRAPPED  
14 FINANCIALLY, AS WELL AS PERHAPS MORE COSTLY TO GET  
15 THE DIVERSION PROGRAMS EMPLOYED AND PERHAPS  
16 REPRESENT A SMALLER PERCENTAGE OF THE WASTESTREAM.

17 LASTLY, WE ARE, OF COURSE,  
18 RECOMMENDING THAT THE COMMITTEES TAKE THESE  
19 CONCEPTS AND DECIDE WHICH ONES THEY WISH TO PURSUE  
20 FURTHER, AND THAT WE COME BACK TO THE BOARD FOR A  
21 VOTE. AND WE WOULD RECOMMEND THAT WE DO THE  
22 COMMITTEE WORK IN THE KIND OF FEBRUARY/MARCH TIME  
23 FRAME SO THAT IT COULD BE BROUGHT BACK TO THE  
24 BOARD FOR WHICH OF THESE INITIATIVES, WHICH  
25 STRATEGIES THAT WE'VE HEARD FROM OUR STAKEHOLDERS

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1 DO YOU WANT TO SEE MORE WORK DONE AND, IF YOU  
2 WILL, IMPLEMENTATION AROUND.

3 SO, MR. CHAIRMAN AND BOARD MEMBERS,  
4 THAT SUMMARIZES STAFF'S WORK TO DATE. I WANT TO  
5 THANK THE TEAM FOR A LOT OF HARD WORK THAT WENT  
6 INTO THIS. LORRAINE AND HER CREW PUT COUNTLESS  
7 HOURS, ALSO THE ADVISORS THAT PARTICIPATED IN  
8 THIS, AND FOR THEIR EFFORTS AS WELL. AND, OF  
9 COURSE, WE STAND READY FOR PUBLIC INPUT AND YOUR  
10 QUESTIONS.

11 CHAIRMAN PENNINGTON: THANK YOU, MR.  
12 CHANDLER. AND I WANT TO THANK THE STAFF FOR ALL  
13 THE TIME AND EFFORT THAT THEY PUT INTO TAKING A  
14 MASS OF MATERIAL AND PRESENTING IT TO THE BOARD  
15 AND PUTTING IT INTO A MANAGEABLE FORM. I INTEND  
16 TO PROPOSE A MOTION ASSIGNING THE STRATEGIES TO  
17 VARIOUS BOARD COMMITTEES, DEVELOPING A TIME  
18 SCHEDULE FOR INITIAL CONSIDERATION, AND PROPOSING  
19 A FRAMEWORK FOR CONSIDERATION OF THE EXISTING  
20 PROPOSED ACTIVITIES.

21 TO THE PUBLIC, YOU WILL CERTAINLY  
22 HAVE AN OPPORTUNITY TO SPEAK TODAY IF YOU SO  
23 DESIRE. HOWEVER, IF THE BOARD ADOPTS MY MOTION,  
24 IT WOULD BE MORE APPROPRIATE TO DIRECT YOUR  
25 REMARKS TO THE APPROPRIATE COMMITTEE AS THEY

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1 SCHEDULE THEIR DELIBERATIONS ON THESE STRATEGIES.  
2 FOR THOSE COMMENTS, I'LL PROPOSE MY MOTION. IT'S  
3 A LONG MOTION. EACH OF THE BOARD MEMBERS HAS BEEN  
4 GIVEN A COPY OF MY MOTION, AND THERE WAS SOME  
5 COPIES HANDED OUT IN THE BACK. I DON'T KNOW  
6 WHETHER THERE'S ANY LEFT OR NOT. BUT SINCE IT'S  
7 LONG, IT NEEDS TO BE IN WRITTEN FORM. ONCE WE'RE  
8 THROUGH WITH THAT, WE'LL LISTEN TO -- TAKE SOME  
9 BOARD COMMENTS AND DISCUSSION AND THEN PUBLIC.

10 SO I MOVE THAT THE BOARD, ONE,  
11 FOLLOW THE SPECIFIC DIRECTION REGARDING STRATEGIES  
12 CONTAINED IN THIS AGENDA ITEM WITH FUTURE WORK TO  
13 FOLLOW THE PRINCIPLES AND OBJECTIVES STATED IN TWO  
14 BELOW: A, ADOPT STRATEGIES 1 AND 2 AND ASSIGN  
15 STRATEGIES 3 TO 44 TO COMMITTEES IN ACCORDANCE  
16 WITH THE ATTACHED COMMITTEE ASSIGNMENT DOCUMENT;  
17 B, DIRECT THAT THE COMMITTEES EVALUATE AND DEVELOP  
18 RECOMMENDATIONS FOR WHETHER AND WHEN TO PURSUE THE  
19 STRATEGIES FURTHER AT EACH COMMITTEE'S MARCH  
20 MEETING AND THAT STAFF PREPARE BRIEF, RELEVANT  
21 BACKGROUND MATERIAL; C, DIRECT THE COMMITTEE  
22 RECOMMENDATIONS ON WHAT STRATEGIES TO BE PURSUED  
23 FURTHER BE BROUGHT BEFORE THE BOARD FOR  
24 CONSIDERATION IN ONE AGENDA ITEM AT THE MARCH  
25 BOARD MEETING SO THAT BOARD DISCUSSION ON WHICH

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1 STRATEGIES TO PURSUE FURTHER CAN BE MADE IN AN  
2 INTEGRATED MANNER; D, DIRECT STAFF TO IDENTIFY KEY  
3 PROGRAMS, EFFECTIVE METHODS, AND DEVELOP WORK  
4 PLANS BASED ON THE OUTCOME OF THE EVALUATION  
5 PROPOSED IN STRATEGIES 1 AND 2 AND THE BOARD  
6 RECOMMENDATIONS ON STRATEGIES AT THE MARCH BOARD  
7 MEETING. THE WORK PLAN WILL BE BROUGHT BACK TO  
8 THE BOARD UPON COMMITTEE APPROVAL; 2, PROVIDE  
9 OVERALL DIRECTION ON FURTHER STAFF WORK IN  
10 IDENTIFYING KEY PROGRAMS AND WORK ON ADOPTED  
11 STRATEGIES USING THE FOLLOWING PRINCIPLES AND  
12 OBJECTIVES.

13 THIS DIRECTION GOES BEYOND  
14 EVALUATING EXISTING ACTIVITIES AND THE CONCEPTS  
15 AND STRATEGIES CONTAINED IN THIS AGENDA: A, BOTH  
16 EXISTING AND PROPOSED ACTIVITIES SHOULD BE  
17 EVALUATED IN TERMS OF THEIR ACTUAL AND/OR  
18 POTENTIAL EFFECTIVENESS IN ADDRESSING THE 50  
19 PERCENT AND BARRIERS TO ACHIEVING 50-PERCENT  
20 DIVERSION; B, CONSIDERATION OF ANY EXISTING OR  
21 PROPOSED ACTIVITIES MUST BE INTEGRATED BOARDWIDE.  
22 STAFF WILL IDENTIFY, EVALUATE, AND INCORPORATE,  
23 AS  
24 APPROPRIATE, THE ACTIVITIES OF ALL BOARD'S  
DIVISIONS AND OFFICES RELEVANT TO THE EXISTING OR



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25 PROPOSED ACTIVITY; C, STAFF RECOMMENDATIONS

1 CONCERNING MARKET DEVELOPMENT SHOULD SUPPORT  
2 EXISTING OR SUSTAINABLE MARKETS; D, THE  
3 PREPONDERANCE OF MATERIAL RELATED EFFORTS SHOULD  
4 FOCUS ON THE THREE MAJOR CATEGORIES:

#### CONSTRUCTION

5 AND DEMOLITION, GREEN WASTE, AND PAPER WHILE  
6 RECOGNIZING THE NEED TO CONTINUE ON OTHER  
7 MATERIALS; E, PLANNING REQUIREMENTS SHOULD BE  
8 STREAMLINED WHERE POSSIBLE AND WHERE PROVISIONS

OF

9 TECHNICAL ASSISTANCE SHOULD BE ENHANCED AND  
BETTER

10 COORDINATED; F, BOARD DEVELOPED INFORMATION AND  
11 TOOLS, DATABASE, PUBLICATIONS, CASE STUDIES  
12 MODELS, ETC., SHOULD CONTINUE TO BE OF THE  
HIGHEST

13 QUALITY FOCUSED ON WHAT IS MOST NEEDED BY LOCAL  
14 GOVERNMENTS AND IN THE PRIVATE SECTOR TO INCREASE  
15 DIVERSION, AND RESOURCES NEEDED SHOULD INCLUDE  
THE

16 COST OF MAINTENANCE; G, PERMITTING AND  
ENFORCEMENT

17 AND COORDINATION OF PERMITTING ACTIVITIES TO  
18 ENCOURAGE FORMATION OF DIVERSION RELATED  
19 BUSINESSES; H, EDUCATION AND OUTREACH ACTIVITIES

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20 SHOULD BE TARGETED AT GROUPS OF LARGER USERS AND  
21 GENERATORS. AGENDA ITEMS SHOULD CONTAIN  
22 INFORMATION ON BOARD RESOURCES NECESSARY FOR THE  
23 EXISTING PROGRAM FOR PROPOSED STRATEGY.

24 THAT'S MY MOTION.

25 MEMBER RELIS: I'LL SECOND IT.

1                   CHAIRMAN PENNINGTON:  THANK YOU.  OKAY.  
2                   WE CAN START A LITTLE DISCUSSION.

3                   BOARD MEMBER CHESBRO:  MR. CHAIRMAN,  
4                   FIRST OF ALL, I ALSO WANT TO THANK THE STAFF FOR  
5                   ALL THE WORK THAT'S GONE INTO THIS.  I KNOW MANY,  
6                   MANY STAFF PEOPLE HAVE BEEN INVOLVED AND SOME IN  
7                   PARTICULAR HAVE PUT LARGE AMOUNTS OF TIME INTO IT.

8                                 AND SECONDLY SAY THAT I'M GLAD THIS  
9                   IS BEFORE US TODAY AND THAT WE ARE GETTING MOVING  
10                  ON THIS.  THAT BEING SAID, I WANT TO GIVE A LITTLE  
11                  BIT OF HISTORY AND REMIND THE BOARD THAT SOMEWHAT  
12                  OVER A YEAR AGO I HAD AN INITIATIVE THAT I GOT  
13                  STARTED AT THE LOCAL ASSISTANCE AND PLANNING  
14                  COMMITTEE WHICH GOT FOLDED INTO THIS EFFORT, SORT  
15                  OF BALLOONED INTO THIS SYSTEMWIDE EFFORT WHICH WAS  
16                  VERY FOCUSED.  AND THAT WAS FOCUSED ON THE FACT  
17                  THAT WHILE THERE'S ALL KINDS OF PLAYERS AND  
18                  CONSTITUENCIES, ONLY ONE GROUP IS ON THE HOOK  
19                  LEGALLY AND STANDS TO BE DINGED WITH THE 25- AND  
20                  50-PERCENT DIVERSION MANDATES, AND THAT'S CITIES  
21                  AND COUNTIES.

22                                AND SO I WAS CONCERNED THAT WE  
23                  DIDN'T HAVE A FOCUSED AND TARGETED STRATEGY FOR  
24                  ASSISTING LOCAL GOVERNMENTS IN GETTING TO 25 AND  
25                  50 PERCENT.  WE HAVE DONE A LOT OF THINGS.  THE

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1 BOARD, TO ITS CREDIT, THE STAFF, TO ITS CREDIT,  
2 HAVE DONE MANY, MANY THINGS TO ASSIST LOCAL  
3 GOVERNMENTS, BUT WE HAVEN'T HAD THE COORDINATION  
4 AND FOCUS. SO WHILE NOT PUTTING DOWN THE  
5 INTEGRATED SYSTEMS APPROACH, I JUST REALLY WANT TO  
6 REMIND THE BOARD THAT THAT WAS HOW THIS THING GOT  
7 STARTED AND EMPHASIZE THE IMPORTANCE OF THAT  
8 ASPECT OF WHAT IS BEFORE US.

9 I DO FEEL THAT THERE'S SOME PROBLEMS  
10 WITH WHAT WE HAVE BEFORE US TODAY. IT TENDS TO BE  
11 A VERY BROAD, UNEDITED LIST OF ITEMS, SOME OF  
12 WHICH ARE GOING TO GET BOGGED DOWN BECAUSE THEY'RE  
13 CONTROVERSIAL AND CONFLICT PRODUCING AS OPPOSED TO  
14 CONSENSUS BUILDING. AND I THINK THERE'S A VERY  
15 REAL DANGER TO US THAT WE GET STUCK ON THOSE  
16 ITEMS, AND THEN WE LOSE A LOT OF TIME AND MOMENTUM  
17 IN TERMS OF GETTING STARTED ON THE THINGS THAT I  
18 THINK VIRTUALLY, HOPEFULLY EVERYONE IN THIS ROOM  
19 WOULD AGREE TO AND EVERYBODY ON THE BOARD WOULD  
20 AGREE ARE IMPORTANT INITIATIVES.

21 AND I HAD HOPED THAT WE COULD HAVE  
22 GOTTEN SOME OF THOSE MORE DIVISIVE ISSUES OFF THE  
23 TABLE RIGHT UP FRONT AND WE WOULD HAVE APPLIED A  
24 CRITERIA IN ADDITION TO THE ONES THAT THE STAFF  
25 DEVELOPED, HAVE A CRITERIA THAT SAYS IF IT  
DOESN'T

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1 BUILD A QUICK CONSENSUS AND CAN'T BE MOVED  
2 QUICKLY, THEN LET'S NOT PUT IT ON THIS LIST.  
3 LET'S PUT IT ON SOME OTHER LIST TO WORK ON, NOT  
4 SLOW DOWN GETTING THE 50-PERCENT INITIATIVE.

5 I DO SUPPORT THIS, BUT I'M SOMEWHAT  
6 FRUSTRATED THAT WE HAVE LOST A FULL YEAR OF  
7 PLANNING ON A MORE FOCUSED TRANSITION FROM THE  
8 IDEA OF PLANNING AND REGULATION OF LOCAL  
9 GOVERNMENTS TO THE TARGETED, FOCUSED ASSISTANCE  
10 STRATEGY.

11 THERE WERE TWO ISSUES I WANTED TO  
12 CLARIFY IN THIS DOCUMENT AND IN YOUR MOTION. I'M  
13 INTENDING TO VOTE FOR IT. I THINK IT HAS ALL THE  
14 ELEMENTS THAT WE NEED TO MOVE FORWARD, BUT THERE  
15 ARE A COUPLE THINGS THAT WEREN'T NECESSARILY  
16 COMPLETELY CLEAR, AND I JUST WANTED TO ON THE  
17 RECORD KIND OF FOCUS ON THEM.

18 FIRST OF ALL, STRATEGIES 1 AND 2 ARE  
19 REALLY OPERATING PRINCIPLES FOR EXAMINING THE  
20 STRATEGIES 3 THROUGH 44 AND NOT FREESTANDING  
21 STRATEGIES. IT GETS HINTED AT IN HERE, BUT I JUST  
22 WANTED TO KIND OF SAY ON THE RECORD THAT THAT'S MY  
23 UNDERSTANDING OF HOW WE ARE GOING TO UTILIZE 1 AND  
24 2 IS THAT THEY WILL BE UTILIZED AS TOOLS BY THE  
25 STAFF AND COMMITTEES IN EXAMINING ALL THE OTHER



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1 STRATEGIES. I BELIEVE THAT'S WHAT YOU MEAN IN  
2 YOUR MOTION, BUT I JUST WANTED TO CLARIFY THAT.

3 SECONDLY, THE RURAL EXEMPTION  
4 PROPOSAL IS PRESENTED AS AN OVERARCHING POLICY  
5 ISSUE, AND THAT'S WHY I THINK IT'S APPROPRIATE TO  
6 ASSIGN IT TO POLICY COMMITTEE. AND, HOWEVER,  
7 THERE'S A LITTLE BIT OF A LINE, DIVIDING LINE,  
8 BETWEEN THE IDEA OF EXEMPTION AND ASSISTANCE. AND  
9 I WANTED TO ASSERT THAT AND GET THE AGREEMENT FROM  
10 OTHER BOARD MEMBERS THAT ASSISTANCE TO LOCAL  
11 GOVERNMENTS, INCLUDING RURAL GOVERNMENTS, WILL  
12 REMAIN AN ISSUE WHICH WILL BE HANDLED BY THE LOCAL  
13 ASSISTANCE AND PLANNING COMMITTEE.

14 AND THE ITEMS 23 AND 25 THROUGH 29  
15 IDENTIFY THOSE BROAD AREAS THAT WE'RE GOING TO BE  
16 WORKING IN IN TERMS OF LOCAL ASSISTANCE, AND THAT  
17 CONTINUES TO INCLUDE RURALS PENDING THE DECISION  
18 ABOUT WHETHER OR NOT A BROAD RURAL EXEMPTION IS  
19 ADVISABLE AND WHETHER THE POLICY COMMITTEE AND THE  
20 BOARD ARE GOING TO ENDORSE THAT. I JUST WANTED TO  
21 CLARIFY THAT LINE A LITTLE BIT.

22 IF EXEMPTIONS FOR RURALS ARE NOT  
23 SUPPORTED BY THE POLICY COMMITTEE AND THE BOARD,  
24 ISSUES SUCH AS STREAMLINING RURAL ASSISTANCE WILL  
25 NEED TO BE TAKEN UP AT LOCAL ASSISTANCE. AND I

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1 THINK THERE'S A LOT OF DIFFERENT WAYS THAT WE CAN  
2 REDUCE THE BURDEN ON LOCAL ASSISTANCE. I THINK  
3 THERE'S GOING TO BE SOME DEBATE AND CONTROVERSY  
4 ABOUT WHETHER COMPLETE EXEMPTION IS ACCEPTABLE  
5 GIVEN THE FACT THAT THERE'S BEEN SIGNIFICANT  
6 INVESTMENT BY BOTH PRIVATE SECTOR AND SOME RURAL  
7 LOCAL GOVERNMENTS ON FIGURING OUT HOW TO DEAL WITH  
8 THE EQUITY OF THAT IS GOING TO BE AN ISSUE THAT  
9 MR. JONES AND POLICY COMMITTEE ARE GOING TO NEED  
10 TO WEIGH.

11 BUT IF THERE'S SOME CONCURRENCE THAT  
12 THAT DIVIDING LINE IS FAIRLY CLEAR, THEN I HAVE NO  
13 PROBLEM WITH THE EXEMPTION ISSUE BEING AT POLICY.  
14 AND I APPRECIATE --

15 CHAIRMAN PENNINGTON: I THINK WE'VE HAD A  
16 BRIEF DISCUSSION ABOUT THAT, AND IT WAS MY INTENT  
17 AND I THINK CHAIRMAN JONES OF THE POLICY COMMITTEE  
18 TO SORT OUT THOSE THINGS THAT ARE REALLY INTENDED  
19 TO BE STREAMLINING OF THE PLANNING PROCESS AND BE  
20 ABLE TO MOVE THEM TO LOCAL ASSISTANCE AFTER WE  
21 REVIEW THE WHOLE OVERALL CONCEPT OF AN EXEMPTION  
22 AND WHAT THE RAMIFICATIONS WILL BE. AS WE  
23 DISCUSSED, I THINK, WE ARE CLEAR ON THAT FEELING.

24 AND I APPRECIATE YOUR CONCERN ABOUT  
25 THE -- NOT BEING ABLE TO MAYBE ELIMINATE SOME

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1       THINGS FROM THE DISCUSSION RIGHT OFF THE BAT; BUT  
2       AS YOU AND I HAVE DISCUSSED, I BELIEVE THAT WE  
3       NEEDED TO GIVE THIS THE BROADEST FORUM POSSIBLE  
4       SINCE IT AFFECTS SO MANY PEOPLE AND SO MANY  
5       JURISDICTIONS AND BUSINESSES, THAT I WANTED TO  
6       ENSURE THAT EVERYBODY HAD AN OPPORTUNITY TO  
7       COMMENT ON ALL OF THESE IDEAS BEFORE WE ELIMINATED  
8       THEM.  AND SO THAT'S WHY WE -- WHY I RECOMMENDED  
9       BRINGING THEM FORWARD.

10                    ANY OTHER DISCUSSION?

11                    BOARD MEMBER JONES:  I'D LIKE TO -- I  
12       HAVE -- BOARD MEMBER CHESBRO AND I TALKED ABOUT  
13       THAT.  I DON'T HAVE ANY PROBLEM WITH THAT.  I DO  
14       THINK IT IS AN OVERALL POLICY ISSUE THAT NEEDS TO  
15       BE DEALT WITH FIRST AND AT THAT POINT GETS TURNED  
16       OVER.

17                    I DO WANT TO SAY I'M GLAD TO SEE  
18       THIS.  AS THE NEWEST MEMBER OF THIS BOARD, ALL OF  
19       ABOUT TWO WEEKS OLD, TWO AND A HALF WEEKS OLD, I'M  
20       GLAD TO SEE THIS WORK PLAN HERE BECAUSE I VIEW IT  
21       NOT ONLY AS HOW WE GET TO THE 50-PERCENT GOAL AND  
22       THE YEAR 2000, BUT I SEE IT AS PART OF A BUSINESS  
23       PLAN.  AND I -- SO THAT EVERYBODY DOESN'T GET  
24       NERVOUS, I'M NOT ONE OF THESE GUYS THAT THINKS  
25       GOVERNMENT AND BUSINESS HAVE THE SAME TYPE OF

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1 MOTIVES OR THAT ONE SHOULD RUN THE SAME AS THE  
2 OTHER, BUT I DO BELIEVE THAT COMMON SENSE AND THAT  
3 THE ISSUES OF FOCUSING ON WHAT YOUR PATH IS GOING  
4 TO BE AND WHAT YOUR ROAD MAP IS GOING TO BE TO GET  
5 TO IN THIS CASE 20 PERCENT AND ALL ALSO AT THE  
6 SAME TIME DEALING WITH THE SHORTFALLS THAT ARE  
7 INHERENT IN THIS LAW, THE BETTER WE DO, THE LESS  
8 MONEY COMES TO THIS ORGANIZATION, I THINK IT'S  
9 REALLY CRITICAL THAT EVERYBODY IN THE AUDIENCE,  
10 EVERYBODY THAT'S GOING TO PARTICIPATE IN THIS  
11 DEBATE, EVERYBODY THAT'S GOING TO BE IN FRONT OF  
12 THESE COMMITTEES UNDERSTANDS THAT WE CAN'T HAVE  
13 EVERYTHING.

14 DURING THE PLANNING PROCESS WHEN  
15 SRRE'S WERE BEING WRITTEN, EVERYBODY WANTED  
16 EVERYTHING. AND YOU WOULD SIT IN THESE ROOMS AND  
17 YOU WOULD LISTEN TO EVERY IDEA IN THE WORLD, AND  
18 THEY ALL GOT INCLUDED IN SRRE'S. AND BEFORE YOU  
19 KNEW IT, THE SOLID WASTE MANAGEMENT BUDGET WAS  
20 GOING TO BE BIGGER THAN THE GENERAL FUND.

21 SO I THINK THAT WE DO NEED TO FOCUS.  
22 COMING OUT OF INDUSTRY, I WILL TELL YOU RIGHT NOW  
23 THAT INDUSTRY HAS SUPPORTED THE 50-PERCENT GOAL.  
24 I SUPPORT THE 50-PERCENT GOAL. I THINK IT IS  
25 CRITICAL THAT WE GET TO THE 50-PERCENT GOAL. I AM



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1 ALWAYS GOING TO HAVE CONCERNS ABOUT THE REMAINING  
2 50 PERCENT AND THE FACT THAT WE DEAL WITH IT  
3 APPROPRIATELY. IT IS PART OF THE HIERARCHY OF AB  
4 939 WHILE THE LAST ISSUE THAT IS MENTIONED, BUT IT  
5 IS STILL PART OF REALITY. NO MATTER HOW MUCH WE  
6 DO TO DIVERT, WE WILL ALWAYS HAVE TO TAKE CARE OF  
7 THE RESIDUAL WASTE.

8 THAT BEING SAID, WE DO HAVE TO DO  
9 THESE PROGRAMS AND WE HAVE TO USE SOME COMMON  
10 SENSE, BUT I WOULD HOPE THAT THIS BOARD WOULD LOOK  
11 AT THAT AS A HUGE TOOL TO BE VIEWED AS PART OF A  
12 BUSINESS PLAN, NOT ONLY TO ACHIEVE THE MANDATE,  
13 BUT TO MAKE SURE THAT WE FUNCTION AS WELL WE  
14 POSSIBLY CAN. ONE OF THE ISSUES ABOUT THE IWMA  
15 FUNDING OF BRINGING THE FEE UP TO THE LIMIT OF A  
16 \$1.40 PER TON FROM \$1.34 THAT IS BEING CHARGED  
17 RIGHT NOW MAY NOT EVEN HAVE TO HAPPEN IF WE'RE  
18 ABLE TO REALLY FOCUS ON HOW WE CAN GET THERE.

I'M

19 NOT SAYING IT'S GOING TO HAPPEN OR NOT GOING TO  
20 HAPPEN, BUT I WANT TO SEE THE PLAN. I WANT TO  
SEE

21 HOW WE CAN DIRECT OUR FINANCES AND OUR EFFORTS  
22 BEFORE WE LOOK AT THAT PIECE OF THE PUZZLE.  
23 THAT'S ALL I WANT TO SAY. THANKS.

24 BOARD MEMBER FRAZEE: THE -- WE HAD

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SOME

25 DISCUSSION EARLIER OF ITEM 3, THE EXEMPTION OF

1 RURAL CITIES AND COUNTIES. AND I THINK THAT IS  
2 PERHAPS TOO NARROWLY DEFINED STARTING WITH THE  
3 WORD "EXEMPT." THERE ARE A NUMBER OF VARIATIONS  
4 TO THAT THAT WE NEED TO LOOK AT IN THAT PROCESS.

5 IS IT APPROPRIATE, FIRST OF ALL, THE  
6 DEFINITION OF RURAL THAT WE'RE DEALING WITH  
7 BECAUSE WITHIN THAT YOU CAN HAVE ON ONE EXTREME A  
8 LESS THAN 200,000 POPULATION COUNTY WITH NO  
9 URBANIZED AREAS AT ALL. AND THERE ARE, I THINK,  
10 EXAMPLES OF SOME FAIRLY GOOD SIZED CITIES THAT  
11 WOULD FALL IN THAT EXEMPTION WHERE THERE ARE SOME  
12 GOOD ONGOING PROGRAMS. AND TO JUST RULE THOSE OUT  
13 BASED ON THE 200,000 DOESN'T REALLY ACHIEVE OUR  
14 GOALS. THERE ARE STILL OPPORTUNITIES THERE.

15 SO THIS MAY TAKE ON SOMETHING MORE  
16 THAN JUST EXEMPTION. IT COULD BE CONSOLIDATION.  
17 IT COULD IN THE RURAL COUNTIES MEAN DOING AWAY OR  
18 CONSOLIDATING BOTH SMALL CITIES AND COUNTIES INTO  
19 A SINGLE UNIT FOR MEASUREMENT PURPOSES OR EVEN  
20 MULTIPLE COUNTIES WHERE WE HAVE AN EXAMPLE OF THAT  
21 BEING DONE IN THE REGULATORY SIDE ALREADY WITH TWO  
22 COUNTIES SHARING AN LEA.

23 SO I JUST WANTED TO BE SURE THAT WE  
24 WEREN'T JUST HEADING DOWN THAT PATH THAT SAYS  
25 EXEMPT RURALS USING OUR CURRENT DEFINITION, AND

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1 IT'S A BIGGER SUBJECT THAN THAT.

2 BOARD MEMBER CHESBRO: I CONCUR VERY  
3 STRONGLY. AND IT SEEMS PRETTY CLEAR TO ME THAT  
4 THAT ISSUE IS GOING TO BE A COMPLICATED ONE  
5 BECAUSE OF THE EQUITY ISSUES, BECAUSE OF THE  
6 ISSUES YOU RAISED ABOUT WHAT IS RURAL AND WHAT'S  
7 FAIR. AND SO I THINK THAT'S ONE OF THE REASONS I  
8 RAISED THE ISSUE THAT I DID BECAUSE IT SEEMS TO ME  
9 THAT WE'RE GOING TO NEED TO EXPLORE THE QUESTION  
10 OF IF THERE'S NOT A WIDESPREAD CONSENSUS AND WE  
11 CAN'T QUICKLY GET TO THE POINT OF SAYING, YEAH, WE  
12 SHOULD EXEMPT ALL RURAL JURISDICTIONS BELOW  
13 200,000 OR WHATEVER.

14 THERE'S ALL KINDS OF OTHER THINGS,  
15 INCLUDING THE FACT THAT WE HAVE A WHOLE LOT OF  
16 THINGS IN THE LAW AND IN OUR REGULATIONS WHICH  
17 GIVE RURAL SPECIAL CONSIDERATION, BUT WE HAVE  
18 COMPLEX AND EXPENSIVE HOOPS THAT OUR STAFF HAS TO  
19 HOLD UP AND JURISDICTIONS HAVE TO JUMP THROUGH.  
20 AND I THINK THERE'S KIND OF A STREAMLINING ISSUE  
21 AS WELL, AND THAT'S THE ONE THAT I HOPE IN LIEU OF  
22 IF WE DON'T GET TO THE POINT OF A SIMPLE SOLUTION  
23 OF BLANKET EXEMPTION WE CAN GET TO WORK ON  
24 PURSUING IS HOW DO WE -- AND THERE'S ALSO THE  
25 QUESTION OF ENCOURAGING THEM TO JOIN TOGETHER,

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1 WHICH IS A GOOD ONE THAT YOU RAISE AS WELL.

2 CHAIRMAN PENNINGTON: ANY OTHER COMMENTS  
3 FROM BOARD MEMBERS?

4 WE DO HAVE SOME PEOPLE FROM THE  
5 PUBLIC HERE WHO WOULD LIKE TO SPEAK, AND I JUST  
6 REMIND YOU WE HAVE A MOTION ON THE FLOOR, AND I  
7 WOULD APPRECIATE YOU SPEAK TO THE MOTION OR  
8 REASONABLY CLOSE TO THE MOTION. AND -- BUT  
9 THERE'LL BE PLENTY OF TIME TO DISCUSS EACH OF  
10 THESE ITEMS AT THE COMMITTEE LEVEL. BUT I SEE  
11 THERE'S SOME PEOPLE THAT HAVE COME ALL THE WAY  
12 FROM DC, SO I WOULDN'T WANT TO TELL THEM NO.

13 FIRST ONE IS EVAN EDGAR.

14 MR. EDGAR: GOOD MORNING, CHAIRMAN. GOOD  
15 MORNING, BOARD MEMBERS. MY NAME IS EVAN EDGAR.  
16 I'M THE DIRECTOR OF REGULATORY AFFAIRS FOR THE  
17 CALIFORNIA REFUSE REMOVAL COUNCIL. WE'RE A  
18 STATEWIDE NONPROFIT TRADE ASSOCIATION REPRESENTING  
19 THE PRIVATE INDEPENDENT SOLID WASTE MANAGEMENT  
20 COMPANIES OF CALIFORNIA. FROM SAN DIEGO TO  
21 SUSANVILLE, FROM CURBSIDE TO COMPOSTING WE'VE BEEN  
22 BEHIND THE AB 939 AND SUPPORT THE 50-PERCENT GOAL.

23 AND WE'RE HERE TODAY TO SUPPORT THE  
24 MOTION. I BELIEVE THE MOTION REALLY SAYS A LOT  
25 FROM THE FIRST BLUSH IN LOOKING AT THE INITIATIVE



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1 TO CAN IT DOWN TO THE MOTION, SAYS A LOT ABOUT THE  
2 FUTURE OF THE 50-PERCENT GOAL.

3 BUT PRIOR TO 1989 AND PRIOR TO AB  
4 939, WE WERE THE HAULERS. WE WERE JUST THE  
5 HAULERS. WE WEREN'T POLITICALLY CORRECT. WE  
6 WEREN'T PERCEIVED AS RECYCLERS. WE WERE WHITE  
7 EUROPEAN MALES WITH A JOB. AND IT WAS TOUGH.  
8 HOWEVER, WE'VE BEEN SALVAGING AND SCAVENGING FOR  
9 OVER A HUNDRED YEARS, AND WE'VE BEEN RECYCLING THE  
10 LAST TEN YEARS IN THE CONTEXT OF AB 939.

11 SO THROUGHOUT THE '80S WE WERE A  
12 REFLECTION OF PUBLIC POLICY. BACK IN THE '80S, IT  
13 WAS CHEAP DISPOSAL CAPACITY, AND WE WERE HAULING  
14 GARBAGE TO THE LANDFILLS WHILE WE WERE SALVAGING  
15 AND SCAVENGING. BUT DURING THE 1990S WITH AB 939  
16 WE ARE A REFLECTION OF PUBLIC POLICY. WE ARE THE  
17 SERVICE PROVIDERS. WE HAVE ROLLED OUT OVER A  
18 HUNDRED CURBSIDE PROGRAMS, OVER 50 MRF'S, AND 13  
19 PERMITTED COMPOST FACILITIES. SO WE'VE BEEN IN  
20 PARTNERSHIP WITH THE JURISDICTIONS AND THE WASTE  
21 BOARD THROUGHOUT THE 1990S IN ORDER TO ACHIEVE THE  
22 AB 939 GOALS.

23 I HAVE TO GO ON RECORD ONE MORE  
24 TIME. CRRC SUPPORTS THE 50-PERCENT GOAL. CRRC  
25 SUPPORTS AB 939. DURING THE OLBERG HEARINGS, A

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1 LOT WAS SAID. A LOT OF PEOPLE SAID A LOT OF  
2 DIFFERENT THINGS. BUT CRRC WENT ON RECORD ONE  
3 MORE TIME TO SUPPORT THE 50-PERCENT GOAL.  
4 HOWEVER, ON THE 4TH THE DYNAMICS CHANGED A LOT  
5 WITH THE ELECTION. I BELIEVE THAT A LOT OF THOSE  
6 INITIATIVES ON OCTOBER 2D WON'T HAVE THE SAME LIFE  
7 THEY HAD PRIOR TO THE ELECTION. BUT EITHER WAY,  
8 WE DO NOT CHANGE.

9 THE PURPOSE OF CRRC DID NOT CHANGE  
10 AFTER THE OLBERG HEARINGS OR THE ELECTIONS. WE'RE  
11 MOVING FORWARD WITH AB 939 OVER THE NEXT THREE  
12 YEARS. WE'RE NOT BACKING AWAY FROM RECYCLING.  
13 WE'RE STEPPING UP. RECYCLING IS NOT GARBAGE. THE  
14 ARTICLES WE HAVE IN THE PAPERS ABOUT "NEW YORK  
15 TIMES," "RECYCLING IS GARBAGE," WE'RE NOT BEHIND  
16 IT. THE SOLID WASTE INDUSTRY IS NOT BEHIND IT.  
17 THERE'S A LOT OF PERCEPTION, A LOT OF BAD PRESS  
18 ABOUT WHO'S BEHIND THE BACKLASH TO RECYCLING.  
19 IT'S NOT US. WE SUPPORT THE 50-PERCENT GOAL.

20 WITH THE INITIATIVE, THERE ARE A LOT  
21 OF IDEAS. A LOT OF IDEAS I HEARD FOR MANY YEARS.  
22 I GO TO ALL THE TRADE ASSOCIATIONS. I GO TO ALL  
23 THE WORKSHOPS. A THOUSAND IDEAS BEING CANNED INTO  
24 44 DIFFERENT ISSUES. AND I BELIEVE A LOT OF THEM  
25 ARE NONCONSENSUS ISSUES. AND WITH NONCONSENSUS

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1 COMES A LOT OF TIME AND ENERGY SUCH AS ALTERNATIVE  
2 DAILY COVER TODAY, RPPC DEBATE, A LOT OF DEBATE  
3 THAT TAKES A LOT OF TIME AND ENERGY. I THINK WE  
4 NEED TO MOVE FORWARD WITH ISSUES THAT ARE  
5 CONSENSUS BASED, THAT WE HAVE ON THE RECORD AS A  
6 FOUNDATION TO MOVE FORWARD WITH.

7 WE HAVE THREE YEARS LEFT. I BELIEVE  
8 IF ANY TYPE OF IDEAS COME OUT OF LEGISLATION OVER  
9 THE NEXT TWO YEARS, THE FIRST TIME YOU SEE THEM  
10 WILL BE 1999 BECAUSE OF THE TWO-YEAR BILL PROCESS,  
11 AND THAT'S TOO LATE. WE CAN'T AFFORD TO LOSE TWO  
12 YEARS.

13 WE SUPPORT THE MOTION TODAY BECAUSE  
14 IT DOES RECOGNIZE A FOUNDATION THAT HAS HAPPENED.  
15 I DON'T BELIEVE LAST YEAR WAS A LOST YEAR. I  
16 BELIEVE THAT THE PLAN FOR THE 1996 MARKET  
17 DEVELOPMENT PLAN IS A GREAT FOUNDATION TO START  
18 FROM. IT TALKS ABOUT FOCUS. IT TALKS ABOUT BIG  
19 TONNAGES, COST-EFFECTIVE ON ORGANICS AND C&D AND  
20 PAPER. THE THING ABOUT ORGANICS AND C&D, WE'RE  
21 NOT TIED TO FLUCTUATING GLOBAL MARKETPLACES LIKE  
22 PAPER. WE HAVE SPIKES UP AND DOWN. ORGANICS AND  
23 C&D ARE LOCALLY BASED PROGRAMS OF LOCAL MARKETS  
24 WHERE WE HAVE SOMEWHAT A SUSTAINABLE GROWTH. IT'S  
25 HIGH TONNAGE. IT'S COST-EFFECTIVE. I BELIEVE

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1       THOSE ARE THE PROGRAMS THAT WE'VE BEEN FOCUSING  
2       ON.   CRRC HAS A LEADERSHIP ROLE ON THE CALIFORNIA  
3       COMPOST QUALITY COUNCIL FOR COMPOST MARKET  
4       DEVELOPMENT.  THOSE ARE THE TOOLS, I BELIEVE, THAT  
5       WE NEED TO MOVE FORWARD ON.

6                       ONE COMMON THEME I HEARD ON OCTOBER  
7       2D WASN'T TOO MANY COMMON THEMES ON OCTOBER 2D AT  
8       THE OLBERG HEARING.  ONE WAS MARKET DEVELOPMENT  
9       AND MARKETS.  EVERYBODY IN THE ROOM AGREED UPON  
10      THAT.  THE 1996 MARKET DEVELOPMENT PLAN HAS  
11      TARGETS, FOCUSED TARGETS, IN ORDER TO ACHIEVE THE  
12      50-PERCENT INITIATIVE.  SO IN THIS ERA OF  
13      DIMINISHING RESOURCES, I THINK WE CAN DWELL ON  
14      BIOSOLIDS AND RIGID PLASTIC CONTAINERS, AND ALL  
15      THESE OTHER NONHAZARDOUS ASH, ALL THESE DIVERSION  
16      ISSUES AROUND THOSE FEEDSTOCKS, BUT THE HIGH  
17      TONNAGE, COST-EFFECTIVE PROGRAMS IS WHAT'S THE  
18      PRIVATE SECTOR ARE DWELLING ON.

19                      AT FIRST BLUSH, WHEN WE FIRST GOT  
20      THE 50-PERCENT INITIATIVE, A LOT OF PEOPLE WERE  
21      CONCERNED.  FOR TWO WEEKS PEOPLE WERE BUZZING  
22      AROUND.  WHAT DOES THIS MEAN?  DOES IT MEAN THAT  
23      THIS IS A VEHICLE TO MOVE FORWARD ON?  DOES IT  
24      MEAN THAT WE'RE SHIFTING MOMENTUM?  SHIFTING  
25      TOPICS?  DOES IT MEAN THAT CURRENT MOMENTUM WILL



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1 BE STIFLED?

2 THERE'S A LOT OF IDEAS WE HEARD, BUT  
3 I THINK THIS MOTION TODAY REALLY KIND OF TAKES  
4 THOSE IDEAS THAT HAVE BEEN OUT THERE FOR A LOT OF  
5 YEARS AND PUT THEM IN A PACKAGE TO DISCUSS THEM  
6 WITHOUT LOSING MOMENTUM, WITHOUT SHIFTING THE  
7 FOCUS, WITHOUT HAVING UGLY DEBATES THAT REALLY  
8 DERAIL THE PROGRESS WE'RE MAKING IN MARKET  
9 DEVELOPMENT WITH ORGANICS AND C&D. THAT'S THE  
10 MAIN REASON WHY WE SUPPORT TODAY'S MOTION.

11 WE ALSO BELIEVE THAT THE 50-PERCENT  
12 MANDATE IS A CARROT. AND THE 50-PERCENT  
13 INITIATIVE AS IT WAS WAS NEITHER THE CARROT NOR  
14 THE STICK, BUT IS A FORUM IN ORDER TO DISCUSS  
15 ISSUES TO GET TO 50 PERCENT.

16 ONE THING THAT DIDN'T COME UP TODAY,  
17 WHICH IS A KEY CONCERN FOR OUR INDUSTRY, IS 25  
18 PERCENT ENFORCEMENT POLICY. THAT WAS ADOPTED BY  
19 THIS BOARD IN JANUARY 1995. THAT IS A CONSENSUS  
20 DOCUMENT FROM THIS BOARD, WHICH IS FOUNDATION TO  
21 AB 939. I THINK THAT POLICY NEEDS TO BE  
22 RESURRECTED AGAIN AND DISCUSSED. I HAVEN'T  
HEARD

23 ABOUT THE 25-PERCENT GOAL AND THE DIRECTION HOW  
24 THE WASTE BOARD IS GOING TO EVALUATE THE 25-  
25 PERCENT GOAL ACHIEVEMENT.

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1                   THE MESSAGE ON THE STREET, AND I  
2       HEAR AT THE TRADE ASSOCIATIONS FROM LOCAL  
3       GOVERNMENT IS THE WASTE BOARD IS NOT GOING TO  
4       PENALIZE ANYBODY.   DON'T WORRY.   MEANWHILE WE'RE  
5       IN FRONT OF THE SAME CITY AND COUNTY COMMISSIONS  
6       TRYING TO GET A MRF PERMIT, TRYING TO GET PROGRAMS  
7       IN SPIRIT OF SRRE IMPLEMENTED, AND THEY ARE  
8       LOOKING AT OTHER IDEAS.

9                   CASE STUDY IN, SAY, MEDERA COUNTY IS  
10      THAT WE HAVE A MAMMOTH MRF.   IT WAS A PERMITTED  
11      MRF THAT CAME IN FRONT OF THIS BOARD.   AND A LOCAL  
12      CORPORATE HAULER OUT OF MEDERA IS HAULING TO THE  
13      FRESNO DUMP DIRECT INSTEAD OF PAYING AN EXTRA  
14      THREE BUCKS A TON TO HAUL IT TO THE MRF TO GET  
15      25-PERCENT RECYCLING BECAUSE THE CITY OF MEDERA  
16      MAY THINK, HEY, WE'RE NOT GOING TO BE PENALIZED.  
17      AB 939 IS HOLLOW.

18                  I THINK, IN ORDER TO HIT THE  
19      50-PERCENT GOAL, THERE NEEDS TO BE SOME TYPE OF  
20      STATEMENT ON ENFORCEMENT OF THE 25-PERCENT GOAL  
21      FOR 1995.   AND I THINK THE POLICY IS SPELLED OUT  
22      THAT HAS A LOT OF IDEAS ON GOOD FAITH.   IT SPELLS  
23      OUT GOOD FAITH.   IT SPELLS OUT AB 688 FOR THE  
24      RURAL COUNTIES WITH REGARDS TO HAVING A  
PROCESS IN  
25      PLACE IN ORDER TO EXEMPT THEM IN TERMS OF

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TIME ,

1 GIVE THEM TWO MORE YEARS, AS WELL AS PETITION  
2 REDUCTION TO GO DOWN 15 AND 30, NOT 25 AND 50.

3 I THINK THE RURAL COUNTIES ARE TAKEN  
4 CARE OF IN THE CONTEXT OF AB 688. THEY'RE TAKEN  
5 CARE OF IN CONTEXT OF THE 1995 WASTE BOARD POLICY  
6 ON ENFORCEMENT. SO THAT'S ONE THING, I THINK,  
7 THAT REALLY ESCAPE OVER THE NEXT YEAR IN 1997 AS  
8 WE START LOOKING AT THE 25-PERCENT GOAL ON  
9 ENFORCEMENT. LET THE LOCAL JURISDICTIONS KNOW  
10 THAT YOU GUYS WILL BE ENFORCING THAT BECAUSE  
11 WITHOUT THAT ENFORCEMENT STATEMENT, THE 50-PERCENT  
12 GOAL IS HOLLOW. PEOPLE WON'T BELIEVE IN IT. THE  
13 PROGRAMS TO GET THERE MAY NOT BE ROLLED OUT.

14 THAT'S THE STRONG MESSAGE I HAVE  
15 TODAY THAT I REALLY DIDN'T HEAR AS PART OF THE  
16 MOTION.

17 AS WE ENTER THE NEXT MILLENNIUM, I'M  
18 STILL GOING TO BE CALLED A HAULER, EVEN THOUGH  
19 WE'RE THE STRONGEST SUPPORTER OF THE AB 939 GOAL.  
20 WE STILL WON'T BE POLITICALLY CORRECT, BUT WE'RE  
21 GOING TO TRY OUR DAMNEDEST TO GET TO 50 PERCENT,  
22 BUT WE BELIEVE IN RECYCLING. WE MADE THE  
23 INVESTMENT NOT ONLY IN SAN DIEGO, BUT IN  
24 SUSANVILLE, IN RURAL COMMUNITIES. WE CANNOT  
25 EXEMPT RURAL JURISDICTIONS WHEN THEY HAVE PROGRAMS

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1       IN PLACE AND WE MADE THE INVESTMENT IN MRF'S AS WE  
2       PHASED OUT THE LOCAL COUNTY LANDFILLS IN SUBTITLE  
3       D ERA.

4                       SO I THINK WE CAN MOVE FORWARD IN A  
5       CONSENSUS MANNER WITH THE 1996 MARKET DEVELOPMENT  
6       PLAN AS A FOUNDATION. I THINK WE HAVE MOMENTUM,  
7       AND WE DON'T NEED TO BE STIFLED BY A LOT OF ISSUES  
8       THAT WILL JUST DERAIL THE PROGRESS. WE HAVE THREE  
9       YEARS TO ACT. WE CANNOT WASTE TWO YEARS ON A LOT  
10      OF LEGISLATIVE IDEAS THAT WON'T GO ANYPLACE WITH  
11      THE SENATE ENVIRONMENTAL QUALITY COMMITTEE AND THE  
12      ASSEMBLY NATURAL RESOURCES. SO ON THOSE REASONS,  
13      I SUPPORT THE MOTION AND LOOK FORWARD TO TODAY'S  
14      TESTIMONY.

15                   CHAIRMAN PENNINGTON: THANK YOU. ANY  
16      QUESTIONS OF --

17                   BOARD MEMBER RELIS: MR. CHAIR, I JUST I  
18      THINK MR. EDGAR'S COMMENT REGARDING ENFORCEMENT IS  
19      AN INTERESTING AND IMPORTANT ONE BECAUSE IT DOES  
20      SPEAK TO THE ISSUE OF MOMENTUM. I DO THINK WE  
21      NEED TO TAKE THAT UP AT THE APPROPRIATE  
COMMITTEE

22      AND DEAL WITH IT.

23                   CHAIRMAN PENNINGTON: OKAY. NEXT IS  
MR.

24      JOHN BROOKS.



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25

BOARD MEMBER CHESBRO: MR. CHAIRMAN, I

1       WANTED TO RESPOND TO THAT TOO.  WE DO, AND I'M  
2       SURE JUDY AND LORRAINE ARE THINKING ABOUT THIS  
3       BECAUSE WE DO HAVE A PROCESS WITH THE BIENNIAL  
4       REVIEWS THAT ARE GOING TO BE COMING FORWARD IN  
5       WHICH WE REVIEW THE DOCUMENTATION AND DETERMINE  
6       WHETHER OR NOT 25 PERCENT HAS BEEN ACHIEVED.  I  
7       TAKE THE ADVICE WELL ADVISED.  I THINK IT IS A  
8       GOOD POINT, BUT IT'S NOT THE ONLY.  THE MESSAGE  
9       SHOULD NOT BE THAT WE'VE DECIDED NOT TO REVIEW THE  
10      DATA AND PAY ATTENTION TO WHETHER THE LOCALS HAVE  
11      MADE 25 PERCENT BECAUSE WE WILL BE DOING THAT.

12                   IS THERE ANYTHING THAT LORRAINE AND  
13      JUDY WANTED TO ADD BY WAY OF RESPONSE TO THAT?  
14      DID I CORRECTLY STATE THE PROCESS?  MAYBE THE  
15      SCHEDULE TO GIVE SOME IDEA OF WHEN WE'D BE DOING  
16      THAT.

17                   MS. FRIEDMAN:  JUST ONE THING TO ADD, AND  
18      MR. EDGAR REFERRED TO IT, THAT WE DO HAVE A BOARD  
19      POLICY, THE CWIMP ENFORCEMENT POLICY AS WE CALL  
20      IT, WHICH THE BOARD HAS ALREADY SET DIRECTION ON  
21      HOW ENFORCEMENT SHOULD BE PROCEEDING.  AND WE WILL  
22      BE FOLLOWING THAT IN THE PROCESS OF THE BIENNIAL  
23      REVIEW AS MR. CHESBRO REFERRED TO.

24                   BOARD MEMBER CHESBRO:  WHAT'S THE TIME  
25      FRAME SO THE PUBLIC AND BOARD MEMBERS KNOW WHEN

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1 WE'LL BE GETTING TO THAT?

2 MS. VAN KEKERIX: WE'RE LOOKING AT  
3 BRINGING YOU AN EXPANDED POLICY ON THE BIENNIAL  
4 REVIEW PROBABLY A COUPLE MONTHS OUT. BUT YOU ALSO  
5 HAVE AN AGENDA ITEM COMING TO THE PLANNING  
6 COMMITTEE IN FEBRUARY ON ENFORCEMENT FOR  
7 JURISDICTIONS THAT HAVE NOT YET COMPLETED THEIR  
8 PLANS. SO THAT WILL BE THE FIRST ENFORCEMENT  
9 ACTION, AND YOU'RE ON STEP 3. SO WE'RE LOOKING AT  
10 RECOMMENDING A NUMBER OF JURISDICTIONS BE INVITED  
11 TO REGIONAL HEARINGS ON WHY THEY DON'T HAVE  
12 ADEQUATE PLANNING DOCUMENTS.

13 BOARD MEMBER CHESBRO: WE HAVE SAID --  
14 THE CHAIRMAN AND I HAVE SIGNED LETTERS FOR A  
15 NUMBER OF JURISDICTIONS, NOT ON 25-PERCENT  
16 ACHIEVEMENT, BUT ON REPORTING AND DOCUMENTS AND  
17 PLANNING DOCUMENTS THAT THEY ARE LEGALLY REQUIRED  
18 TO SUBMIT. THERE'S BEEN A SMALL HANDFUL OF  
19 JURISDICTIONS HAVE, IN FACT, NOT. TO DEFEND THE  
20 MAJORITY, THE VAST MAJORITY ARE IN GREAT SHAPE,  
21 BUT THERE'S A SMALL HANDFUL THAT HAVE NOT COMPLIED  
22 AND WE ARE PROCEEDING.

23 BOARD MEMBER RELIS: I WOULD JUST LIKE TO  
24 SAY THAT I WOULD THINK THAT WOULD BE OUR FIRST  
25 LINE OF ENFORCEMENT DECISION-MAKING, WHAT TO DO

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1 WITH THESE PARTIES.

2 MS. FRIEDMAN: MR. CHAIRMAN, I ALSO WANT  
3 TO ADD THAT AS OF AUGUST OF LAST YEAR, WE RECEIVED  
4 WELL OVER 300 ANNUAL REPORTS, WHICH ARE THE BASIS  
5 OF OUR BIENNIAL REVIEW PROCESS. AND WE ARE  
6 CURRENTLY IN THE PROCESS OF REVIEWING THAT  
7 MATERIAL AND HOPE TO HAVE A PRELIMINARY DISCUSSION  
8 ABOUT THE NUMBERS AND PROGRAMS IN THE EARLY  
9 SPRINGTIME FRAME.

10 CHAIRMAN PENNINGTON: OKAY. MR. BROOKS.

11 MR. BROOKS: THANK YOU, CHAIRMAN AND  
12 BOARD MEMBERS. I'M JOHN BROOKS, THE REGIONAL  
13 COUNCIL OF RURAL COUNTIES ENVIRONMENTAL SERVICES  
14 JOINT POWERS AUTHORITY. IT'S A GOOD THING YOU  
15 DON'T HAVE A THREE-MINUTE TIME LIMIT OR I WOULD  
16 HAVE JUST WENT THROUGH IT.

17 WE REPRESENT -- RCRC REPRESENTS 25  
18 RURAL COUNTIES, AND THE JPA REPRESENTS 17 RURAL  
19 COUNTIES. I'M HERE TODAY TO REPRESENT THE JPA.  
20 THIS INITIATIVE IS RATHER RECENT, SO WE HAVEN'T  
21 HAD TIME TO FORMALLY MEET AND DISCUSS SOME OF THE  
22 PROVISIONS IN THERE THAT WOULD INTEREST OUR  
23 MEMBERS, BUT WE HAVE MET INFORMALLY WITH OUR  
24 TECHNICAL ADVISORY COMMITTEE A COUPLE DAYS AGO TO  
25 DISCUSS SOME PROVISIONS.

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1 I WON'T GET INTO THE ENTIRE  
2 DISCUSSION BECAUSE, AS I MENTIONED, WE WILL BE  
3 GOING TO VARIOUS COMMITTEES, AND WE'LL HOLD BACK  
4 OUR COMMENTS TILL THEN. HOWEVER, I WOULD LIKE TO  
5 MAKE A COUPLE OF POINTS AND DISAGREE WITH THE  
6 PREVIOUS SPEAKER, COUPLE -- SOME OF THE RURAL  
7 COUNTIES, I THINK, WOULD HAVE A STRONG INTEREST IN  
8 THE RURAL EXEMPTION OR ANY ISSUES SURROUNDING  
9 THAT. THAT IS SOMETHING WE WOULD LIKE TO CONTINUE  
10 TO EXPLORE WITH YOU.

11 WHEN AB 939 PASSED, THERE WAS A  
12 STRONG ECONOMY BACK IN 1989, AS YOU WELL KNOW.  
13 THE ECONOMY WAS PRETTY STRONG THEN. IT SINCE HAS  
14 WENT DOWNHILL AND IS RECOVERING IN THIS STATE.  
15 THE STATE AS A WHOLE IS ABOUT 6.9 PERCENT  
16 UNEMPLOYMENT. THE RURAL COUNTIES ARE OVER 10  
17 PERCENT. SINCE THEN WE'VE ALSO HAD SOME ISSUES  
18 WITH FLOW CONTROL, WHICH HAVE BEEN KIND OF TOUCHED  
19 ON, WASTE GOING OUT OF THE AREA INSTEAD OF INTO  
20 THE LOCAL MRF. PROPOSITION 218 HAS BEEN PASSED.

21 THAT THROWS THE LOCAL GOVERNMENTS  
22 INTO A QUANDARY. IT MAY OR MAY NOT AFFECT THEM,  
23 BUT AT THIS POINT THEY DON'T KNOW, AND IT'S VERY  
24 DIFFICULT TO MAKE CAPITAL EXPENDITURE WHEN THEY  
25 DON'T KNOW IF THEY'RE GOING TO HAVE ANY CAPITAL,



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1 ANY MONEY COMING IN TO HELP PAY OFF THAT  
2 EXPENDITURE.

3 THERE'S A LOT OF FISCAL PROBLEMS  
4 RELATED TO IT, AND WELFARE REFORM IS ALSO COMING.  
5 IT'S HIT US; WE JUST DON'T KNOW WHAT IT IS AT THIS  
6 POINT. WITH THE HIGH UNEMPLOYMENT IN THE RURAL  
7 AREAS, WELFARE REFORM, AND PROPOSITION 218, THE  
8 RURAL COUNTIES ARE REALLY HAVING TO LOOK AT THEIR  
9 BUDGETS. AS YOU PROBABLY KNOW, WE ONLY CONTROL  
10 ABOUT 5 PERCENT OF THE BUDGET. YOU WERE SHOWING  
11 YOUR CHART EARLIER WHICH SHOWED 40 PERCENT OR 42  
12 PERCENT OFF IN THESE TWO SPECIAL CATEGORIES.  
13 WE'VE GOT ABOUT 95 PERCENT OFF IN THE SPECIAL  
14 CATEGORIES THAT WE CAN'T TOUCH. SO THE BUDGET  
15 THAT WE DO HAVE ACCESS TO IS PRETTY LIMITED.

16 SO THAT WOULD BE AN AREA THAT WE'D  
17 LIKE TO CONTINUE TO WORK WITH YOU ON AS YOU WORK  
18 THROUGH. WE'D LIKE TO SUPPORT THE BROAD CONCEPTS,  
19 AS MENTIONED EARLIER, OF 1 AND 2 AS A GREAT IDEA.  
20 AND WE'D ALSO LIKE TO MENTION THAT SOME OF THE  
21 ITEMS THAT WERE IN THE INITIATIVE WOULD CLEARLY  
22 NOT BE FEASIBLE IN THE RURAL AREAS AND DIDN'T SEE  
23 ANY DISTINCTION BETWEEN THE RURAL VERSUS URBAN,  
24 AND IT MAY BE THAT THE STAFF COULD'VE ASSUMED  
THAT

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25       SOME TYPE OF EXEMPTION WOULD BE IN THERE AT  
THAT

1 POINT, OR IT WAS THEY JUST HAD TO BE CONCISE  
2 BECAUSE IT WAS A LONG DOCUMENT. SO THEY DIDN'T  
3 WANT TO GET INTO VARIOUS ISSUES. VARIABLE CAN  
4 RATE, UNIT PRICING, WE DON'T HAVE HAULERS. WE  
5 HAVE 80 PERCENT SELF-HAUL. IT'S PROBABLY NOT  
6 FEASIBLE IN THE RURAL AREAS TO HAVE GREEN WASTE  
7 BANS. IN MANY OF OUR RURAL COUNTIES YOU CAN STILL  
8 LEGALLY BURN YOUR WASTE, BURN YOUR GREEN WASTE.  
9 SO THAT WOULD INCREASE AIR POLLUTION.

10 SO I'D LIKE TO JUST KIND OF POINT  
11 OUT SOME OF THOSE AS YOU START TO LOOK THROUGH  
12 THESE. AND WE'RE GOING TO WORK WITH YOU AS MUCH  
13 AS WE CAN AS WE GO THROUGH THE VARIOUS COMMITTEES.  
14 I'D JUST LIKE TO POINT THOSE OUT. SO AT THIS  
15 POINT I'D LIKE TO CONCLUDE, BUT I'D ALSO LIKE TO  
16 THANK STAFF FOR PUTTING ALL THIS INFORMATION  
17 TOGETHER. AND I'M ALSO THANKFUL I'M NOT PART OF  
18 IT BECAUSE IT'S GOING TO BE LONG AND DIFFICULT.  
19 THANK YOU.

20 CHAIRMAN PENNINGTON: I'M SURE YOU WILL  
21 BE PART OF IT THOUGH.

22 MR. BROOKS: YEAH, FROM A DIFFERENT  
23 PERSPECTIVE.

24 CHAIRMAN PENNINGTON: ANY QUESTIONS OF  
25 MR. BROOKS? THANK YOU. NEXT WE HAVE JIM NOLAN.

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1 MR. NOLAN IS A LUCKY GUY. HE LIVES ON GOLF ROAD.

2 MR. NOLAN: IT'S NOT WHAT IT SOUNDS LIKE.  
3 IN ROLLING MEADOWS, ILLINOIS, TOO.

4 MR. CHAIRMAN, COMMITTEE MEMBERS,  
5 THANK YOU FOR THE OPPORTUNITY TO BE HERE THIS  
6 MORNING AND TO ENTER A STATEMENT INTO THE RECORD.  
7 AS THE CHAIRMAN SAID, I AM JIM NOLAN, VICE  
8 PRESIDENT OF THE FIBER BOX ASSOCIATION, WHICH IS  
9 LOCATED IN ROLLING MEADOWS, ILLINOIS.

10 THE FBA IS A NONPROFIT TRADE  
11 ORGANIZATION REPRESENTING AND SERVING OVER 90  
12 PERCENT OF THE CORRUGATED AND SOLID FIBER BOX  
13 MANUFACTURERS. OUR INDUSTRY MANUFACTURES AND  
14 MARKETS CORRUGATED AND SOLID PAPERBOARD PRODUCTS  
15 PRIMARILY CONSISTING OF PACKING AND SHIPPING  
16 CONTAINERS. CORRUGATED INDUSTRY SHIPMENTS TOTALED  
17 MORE THAN 372 BILLION SQUARE FEET IN 1995 AT A  
18 VALUE OF OVER \$23 BILLION.

19 IN THE STATE OF CALIFORNIA, THERE  
20 ARE APPROXIMATELY 125 CORRUGATED MANUFACTURING  
21 FACILITIES WITH AN ESTIMATED 10 TO 12,000 JOBS,  
22 RESULTING IN APPROXIMATELY \$3 BILLION IN ANNUAL  
23 SALES.

24 LET ME BEGIN BY STATING THAT THE  
25 CORRUGATED INDUSTRY SUPPORTS THE BROAD BOARD'S

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1 GOAL OF ELIMINATING WASTE FROM LANDFILL SITES AND  
2 ENCOURAGES EFFORTS TO RECOVER ADDITIONAL MATERIALS  
3 FOR RECYCLING. MY PRIMARY PURPOSE IN BEING HERE  
4 TODAY IS TO RAISE SOME CONCERN ABOUT ITEM 41 ON  
5 THE BOARD'S AGENDA REGARDING THE IMPLEMENTATION  
6 FOR TRANSPORT PACKAGING INITIATIVE.

7 OUR BASIC CONCERN IS THAT WE DON'T  
8 QUITE UNDERSTAND HOW THE BOARD PLANS TO IMPLEMENT  
9 A TRANSPORT PACKAGING INITIATIVE. WE HAVE VERY  
10 LITTLE INFORMATION AS TO WHAT THE INITIATIVE MEANS  
11 TO OUR INDUSTRY. WE HAVE JUST RECENTLY, IN FACT  
12 LAST FRIDAY, BEEN MADE AWARE OF SOME BACKGROUND  
13 PAPERS REGARDING THE TRANSPORT PACKAGING  
14 INITIATIVE, AND THE INDUSTRY HAS NOT HAD AN  
15 OPPORTUNITY TO REVIEW THOSE IN-DEPTH.

16 I'D LIKE TO POINT OUT THAT  
17 CORRUGATED BOX MANUFACTURERS CURRENTLY WORK  
18 CLOSELY WITH THEIR CUSTOMERS IN EFFORTS TO REDUCE  
19 UNNECESSARY WASTE THROUGH THE USE OF SOURCE  
20 REDUCED RAW MATERIAL, HIGH PERFORMANCE PAPERBOARD,  
21 AND EFFICIENT IMPROVED PACKAGING DESIGN. CORRU-  
22 GATED CONTAINERS ARE DESIGNED FOR PRODUCTS, THE  
23 CONTAINER SIZE, WEIGHT, SHAPE, FRAGILITY IN THE  
24 PACKAGING, FILLING REQUIREMENTS, PALLET PATTERN  
25 WAREHOUSING NEEDS, AND MODE OF SHIPMENT ARE ALL



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1 TAKE INTO CONSIDERATION. THE BOX IS MANUFACTURED  
2 TO PRECISE SPECIFICATIONS.

3 IT'S IMPORTANT TO NOTE THAT DESIGN,  
4 STRUCTURE, AND CLOSURE OF CORRUGATED BOXES ARE  
5 LARGELY GOVERNED BY THE RAIL AND TRUCK LINES IN  
6 THE U.S. AS A DAMAGE LIABILITY ISSUE. PACKAGING  
7 IS A KEY COMPONENT OF A PRODUCT'S MANUFACTURING  
8 COST, AND MANUFACTURERS ARE CONTINUALLY LOOKING  
9 FOR WAYS TO REDUCE COST. THE METHOD AND THE COST  
10 OF PACKAGING IS EVALUATED ON A CONTINUAL BASIS BY  
11 THE MANUFACTURER.

12 WE BELIEVE THAT AN IMPLEMENTATION OF  
13 A BAN OR RESTRICTION IN ANY WAY OF CORRUGATED  
14 TRANSPORT PACKAGING COULD HAVE A DEVASTATING  
15 EFFECT ON GETTING PRODUCTS TO THE MARKET  
16 UNDAMAGED. IN FACT, MAJOR CALIFORNIA INDUSTRIES,  
17 SUCH AS AGRICULTURE, COMPUTER TECHNOLOGY, AND  
18 BEVERAGE, WINE INDUSTRY, TO NAME A FEW, COULD BE  
19 SEVERELY AFFECTED BY REGULATIONS THAT WOULD  
20 ELIMINATE, REDUCE, OR EVEN PENALIZE TRANSPORT  
21 PACKAGING.

22 THE PRIMARY BENEFIT OF CORRUGATED  
23 PROTECTIVE PACKAGING IS TO GET PRODUCTS TO MARKET  
24 EFFICIENTLY AND UNDAMAGED. CORRUGATED AS A  
25 MATERIAL IS LIGHTWEIGHT, LOW COST, AND  
RECYCLABLE,

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1       AND IT DOES THE JOB.

2                       CORRUGATED IS THE MOST RECYCLABLE  
3       PACKAGING MATERIAL IN EXISTENCE.   IN 1995 OVER 20  
4       MILLION TONS OR 70.4 PERCENT OF CORRUGATED WAS  
5       RECOVERED FOR RECYCLING.   THE STATE OF CALIFORNIA  
6       WITH ITS 29 MILLS THAT USE OCC AS A RAW MATERIAL  
7       COULD BE SERIOUSLY IMPAIRED WITH A RESTRICTION OF  
8       THIS VALUABLE MATERIAL.   WHILE THE INDUSTRY TAKES  
9       PRIDE IN ACHIEVING THIS EXCELLENT RECOVERY RATE,  
10      IT CONTINUES TO DEVELOP ADDITIONAL INITIATIVES AND  
11      PROGRAMS TO FURTHER INCREASE THE RECOVERY RATE OF  
12      CORRUGATED.

13                     THE CORRUGATED INDUSTRY, THROUGH THE  
14      SPONSORSHIP OF THE PACKAGING COUNCIL, HAS  
15      IMPLEMENTED A BROAD BASED COMMUNICATIONS PROGRAM  
16      TO INCREASE THE RECOVERY AND RECYCLING OF  
17      CORRUGATED PACKAGING.   THE CORRUGATED PACKAGING  
18      COUNCIL IS SPONSORED BY THE FIBER BOX ASSOCIATION,  
19      THE ASSOCIATION OF INDEPENDENT CORRUGATED  
20      CONVERTERS, AND THE CANADIAN CORRUGATED CASE  
21      ASSOCIATION.

22                     THE PROGRAMS IMPLEMENTED TO DATE ARE  
23      IMPLEMENTATION OF AN 800 NUMBER TO ASSIST THE  
24      GENERAL PUBLIC IN RECOVERY OF CORRUGATED FOR  
25      RECYCLING -- THERE'S OVER 2700 RECYCLING CENTERS

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1 IN THE UNITED STATES AND CANADA THAT WE HAVE  
2 ACCESS TO TO ADVISE CONSUMERS ABOUT HOW TO GET RID  
3 OF THEIR CORRUGATED -- THE DEVELOPMENT OF A SERIES  
4 OF RECYCLING CASE STUDIES, WHICH DOCUMENT  
5 CORRUGATED RECYCLING PROGRAMS IN A RANGE OF  
6 SETTINGS, SUCH AS MUNICIPAL, RETAIL, OFFICE  
7 BUILDING, CONSTRUCTION SITES, CONVENTION CENTERS,  
8 EDUCATIONAL FACILITIES, AND RESIDENTIAL  
9 COMMUNITIES, AND DEVELOPMENT OF VARIOUS PUBLIC  
10 CAMPAIGNS PROMOTING BOTH THE USE AND RECYCLABILITY  
11 OF CORRUGATED. FOR INSTANCE, FOUR MILLION PLUS  
12 COPIES OF AN INFORMATIONAL INSERT WILL APPEAR IN  
13 "USA TODAY" IN TOMORROW'S EDITION, TELLING THE  
14 CORRUGATED STORY TO THE GENERAL PUBLIC.

15 I'M SURE YOU WILL AGREE THAT  
EFFORTS

16 TO MAKE BOTH BUSINESS AND THE GENERAL PUBLIC  
AWARE

17 THAT CORRUGATED CAN AND SHOULD BE RECOVERED FOR  
18 RECYCLING IS A POSITIVE STEP FORWARD. AFTER A  
19 CURSORY REVIEW OF THE STAFF BACKGROUND PAPERS,  
WE

20 ARE VERY CONCERNED WITH POSSIBLE EFFORTS TO  
21 PROMOTE VARIOUS PACKAGING OPTIONS OVER  
CORRUGATED

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22       SHIPPING CONTAINERS ABSENT A BROAD DISCUSSION  
AND

23       CONSIDERATION OF ALL THE FACTORS INVOLVED.

24                       WE FIRMLY RESOLVE IT IS IMPORTANT  
25       THAT THERE BE A CLEAR UNDERSTANDING OF WHAT  
IMPACT

1 THE TRANSPORT PACKAGING INITIATIVE WOULD HAVE ON  
2 THE PROTECTION OF GOODS, THE RECYCLING PROCESS,  
3 JOBS, AND THE OVERALL ECONOMIC WELL-BEING OF THE  
4 STATE OF CALIFORNIA.

5 I WOULD LIKE TO EMPHASIZE THAT THE  
6 REGULATORY AGENCIES SHOULD NOT PICK WINNERS AND  
7 LOSERS IN THE MARKETPLACE. THE MARKETPLACE DOES  
8 THAT. ALSO, THE COMPARISONS OF THE ENVIRONMENTAL  
9 BENEFITS OF ONE PACKAGE TO ANOTHER SUGGESTS LIFE  
10 CYCLE ANALYSIS, THE QUASI-RATIONAL PROCESS THAT  
11 CURRENTLY DOES NOT ENJOY WIDESPREAD ACCEPTANCE.

12 FINALLY, WE DO NOT BELIEVE THAT A  
13 TRANSPORT PACKAGING INITIATIVE IS NECESSARY;  
14 HOWEVER, WE OFFER OUR ASSISTANCE TO HELP  
15 DEMONSTRATE THE POSSIBLE IMPACTS A TRANSPORT  
16 PACKAGING INITIATIVE WOULD HAVE ON THE PROTECTION  
17 OF GOODS, THE RECYCLING PROCESS, JOBS, AND THE  
18 OVERALL ECONOMIC WELL-BEING OF THE STATE.

19 IF YOU HAVE ANY QUESTIONS, I'D BE  
20 MORE THAN GLAD TO TRY TO ANSWER THEM.

21 CHAIRMAN PENNINGTON: I WANT TO ASSURE  
22 YOU THAT THERE WILL BE PLENTY OF PUBLIC TESTIMONY  
23 ON THIS. IT HAS BEEN ASSIGNED TO MR. JONES'  
24 POLICY COMMITTEE. AND WE WILL ENSURE YOU THAT YOU  
25 AND YOUR COLLEAGUES WILL BE NOTIFIED BEFORE ANY



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1 HEARING IS HELD ON IT. AND APPRECIATE YOU COMING.  
2 I DON'T KNOW WHETHER ANYBODY ELSE HAS ANY COMMENTS  
3 OR QUESTIONS OF YOU.

4 MR. BROOKS: THANK YOU VERY MUCH.

5 CHAIRMAN PENNINGTON: NEXT WE HAVE CHRIS  
6 KISSER.

7 MR. KAISER: CLOSE ENOUGH, MR. CHAIRMAN.  
8 KAISER.

9 MR. CHAIRMAN, BOARD MEMBERS, GOOD  
10 MORNING. MY NAME IS CHRIS KAISER. I REPRESENT  
11 THE AMERICAN FOREST AND PAPER ASSOCIATION IN  
12 WASHINGTON, D.C. I'M GOING TO DIRECT MY COMMENTS  
13 TO ITEM 41, AS DID MR. NOLAN, THE TRANSPORT  
14 PACKAGING INITIATIVE, AND BE MERCIFULLY BRIEF.  
15 AND I'D SIMPLY LIKE TO ECHO HIS COMMENTS.

16 WE RECEIVED THE BACKGROUND PAPER  
17 DATED JUNE '96 A FEW DAYS AGO. AS YOU SAID, A  
18 CURSORY EXAMINATION. WE BELIEVE THERE ARE A  
19 NUMBER OF FLAWED ASSUMPTIONS CONTAINED  
THEREIN,

20 AND WE'D LIKE TO RESPOND IN DETAIL TO THE  
BOARD

21 ALONG THOSE LINES.

22 I'D JUST LIKE TO POINT OUT THAT,  
AS

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23        YOU MENTION, CORRUGATED IS RECOVERED NOW AT  
ABOUT

24        70 PERCENT, AND WE HAVE 29 MILLS IN THIS

STATE,

25        REPRESENTING HUNDREDS OF MILLIONS OF DOLLARS  
OF

1 INVESTMENT THAT UTILIZE RECOVERED OCC AS THEIR  
2 PRINCIPAL FURNISH. WE'RE ENORMOUSLY CONCERNED  
3 ABOUT THE SURVIVAL OF THOSE MILLS AND THEIR  
4 FURNISH, AS YOU MIGHT EXPECT.

5 THE ASSOCIATION HAS A VERY POSITIVE  
6 RECORD IN RECYCLING, VOLUNTARY GOALS OF 40 AND 50  
7 PERCENT SET RESPECTIVELY, 50 PERCENT FOR THE YEAR  
8 2000. WE HOPE TO HIT THAT GOAL. AND THAT HAS  
9 BEEN ALLOWED, AGAIN, ON A VOLUNTARY BASIS. WE'VE  
10 DONE IT VOLUNTARILY, AND WE HOPE TO CONTINUE.

11 ON PAGE 14 OF THAT DOCUMENT,  
THERE'S

12 A LIST OF MANDATES. CONTAINED ON THAT LIST ARE A  
13 NUMBER OF THINGS THAT THE INDUSTRY HISTORICALLY  
14 HAS OPPOSED FROM MANUFACTURER'S RESPONSIBILITY TO  
15 MANDATING RECYCLING CONTENT, MANDATING  
UTILIZATION

16 RATE. AGAIN, WE'VE ACHIEVED, WE THINK, SOME  
17 SURPRISING SUCCESSES IN THIS INDUSTRY AND  
18 PRINCIPALLY DONE AT THE INDUSTRY LEVEL AND  
THROUGH

19 THE MARKET. AND WE JUST ASK YOU TO TAKE THAT  
INTO  
20 ACCOUNT.

21 WE'D LIKE TO THANK THE BOARD AND

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ITS

22 STAFF IN ADVANCE FOR A BRIEFING WE WILL RECEIVE

ON

23 THE 19TH ON THIS, AND WE LOOK FORWARD TO WORKING

24 WITH YOU AS THIS THING MOVES FORWARD.

25 CHAIRMAN PENNINGTON: ANY QUESTIONS?

1 (RECESS TAKEN.)

2 CHAIRMAN PENNINGTON: CAN WE COME BACK.  
3 FOLKS, WE ONLY HAVE A LITTLE BIT MORE TO GO HERE.

4 BOARD MEMBER CHESBRO: MR. CHAIRMAN,  
5 WHILE WE'RE GETTING THE FOLKS BACK, CAN I MAKE A  
6 COMMENT? IT SEEMS CLEAR TO ME THAT THE RESPONSE  
7 TO THE TRANSPORT PACKAGING INITIATIVE ITEM SEEMS  
8 TO ASSUME THAT THERE'S SOME IMMINENT POSSIBILITY  
9 OF FURTHER REGULATION OF PAPER PRODUCTS OR THEIR  
10 USE, WHICH I DON'T THINK IS WHAT WAS INTENDED,  
11 ALTHOUGH -- AND IN THAT REGARDS, I GUESS IT WINDS  
12 UP, IF YOU CLARIFY IT A LITTLE FURTHER, WHICH  
13 OBVIOUSLY ALL THESE CONCEPTS WERE WRITTEN VERY  
14 BROADLY AT THIS POINT, TO CLARIFY IT A LITTLE  
15 FURTHER, IT GETS INTO THE IDEA OF EITHER WASTE  
16 PREVENTION EDUCATION BY WAY OF JUST ASSISTANCE TO  
17 BUSINESS OR BUSINESS ASSISTANCE, WHICH IS AT  
18 MARKETS, YOU KNOW.

19 AND SO I THINK, LIKE THE OTHER ONE  
20 WE TALKED ABOUT WITH BANNING OR I MEAN EXEMPTING  
21 RURALS, I THINK WE PROBABLY NEED TO BE PREPARED  
22 FOR SORT OF THE EVOLUTION OF THE ISSUE A LITTLE  
23 BIT. I'M NOT ASKING THAT WE MODIFY TODAY'S  
24 ACTION. I'M JUST SAYING KEEP IN MIND THE IDEA  
25 THAT THERE'S SUBCOMPONENTS OF THIS THING THAT

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1       PRESUMABLY BECOME LESS ONEROUS TO THE PEOPLE WHO  
2       ARE AFRAID THIS IS A REGULATORY INITIATIVE, WHICH  
3       INVOLVE THINGS LIKE JUST EDUCATION TO BUSINESSES  
4       AND WASTE PREVENTION, COMPLETELY VOLUNTARY  
5       EDUCATIONAL PROGRAMS, NOT A REGULATORY OVERLAY.  
6       SO I JUST WANTED TO POINT THOSE THINGS OUT.

7               CHAIRMAN PENNINGTON:   I'M SURE THAT THERE  
8       ARE MANY THINGS IN HERE THAT COULD BE PULLED APART  
9       AND, YOU KNOW, SENT TO DIFFERENT PLACES, BUT WE,  
10      IN ORDER TO BRING IT TOGETHER AND EDIT IT DOWN, AS  
11      YOU SUGGESTED THAT WE NEEDED TO DO, WE NEED TO  
12      KEEP THEM IN ASSIGNED AREAS SO THAT WE CAN AT  
13      LEAST GET TO THE ISSUE AND DEAL WITH WHAT THE  
14      STAFF AND THOSE PEOPLE WHO CAME AND OFFERED THESE  
15      THINGS HAVE, KNOW WHAT WE'RE DOING AND IT'S OUT IN  
16      THE PUBLIC.

17             BOARD MEMBER CHESBRO:   I GUESS ALL I'M  
18      SAYING IS IF WE'RE GOING TO SHOOT -- IF WE WIND UP  
19      SHOOTING DOWN THE BIG TARGET, LET'S NOT FORGET THE  
20      PIECES OF IT THAT, I THINK, WE'VE BEEN DOING AND  
21      SHOULD CONTINUE TO DO RELATIVE TO ASSISTANCE AND  
22      WASTE PREVENTION THAT ARE PROBABLY SUBELEMENTS OF  
23      THAT ISSUE.

24             CHAIRMAN PENNINGTON:   RIGHT.   OKAY.  
25      MOVING ALONG TO DAVID MEYERS.



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1                   MR. MEYERS:   MR. CHAIRMAN, BOARD MEMBERS,  
2                   DAVID MEYERS, THE CHAIRMAN OF THE LOCAL GOVERNMENT  
3                   TECHNICAL ADVISORY COMMITTEE TO YOUR BOARD.  AND I  
4                   JUST WANTED TO ACKNOWLEDGE, FIRST OF ALL, WESLEY  
5                   CHESBRO AND THE LOCAL ASSISTANCE COMMITTEE FOR  
6                   GETTING THIS STARTED AND FOR THE BOARD STAFF FOR  
7                   PUTTING ALL THIS STUFF TOGETHER.  AND WE'RE  
8                   CERTAINLY VERY INTERESTED IN IT.  MOST OF THE  
9                   LAGTAC MEMBERS ARE HERE TODAY.  WE SCHEDULED  
10                  LAGTAC MEETING THIS MONTH AROUND THIS SESSION.

11                         WE ARE, YOU KNOW, ANXIOUS FOR THE  
12                  PROCESS TO PROCEED AS QUICKLY AS POSSIBLE BECAUSE  
13                  I THINK LOCAL GOVERNMENTS NEED HELP IN ACHIEVING  
14                  THE 50-PERCENT GOAL, AND WE WOULD LIKE TO BE  
15                  INVOLVED WHEREVER WE CAN AND HELP WITH THE PROCESS  
16                  WHENEVER NECESSARY.  SO WE CERTAINLY ACKNOWLEDGE  
17                  YOUR WORK AND HOPE IT GOES SMOOTHLY AND QUICKLY,  
18                  AND WE CAN ALL GET TO 50 PERCENT.  THANK YOU.

19                         CHAIRMAN PENNINGTON:  THANK YOU, MR.  
20                  MEYERS.  ANY QUESTIONS OF MR. MEYERS?  OKAY.  AND  
21                  FINALLY LISA ANN WRAP.

22                         MR. WRAP:  GOOD MORNING, BOARD MEMBERS  
23                  AND STAFF AND GUESTS.  I'M THE DIRECTOR OF PUBLIC  
24                  WORKS FOR THE CITY OF LAKEWOOD IN LOS ANGELES  
25                  COUNTY.  AND FIRST LET ME COMMEND THE BOARD AND

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1 STAFF FOR THE PREPARATION OF THIS COMPREHENSIVE  
2 REPORT AND FOR YOUR WILLINGNESS TO UNDERTAKE A  
3 DIALOGUE ON STRATEGIES TO MEET THE 50-PERCENT  
4 DIVERSION MANDATED BY AB 939.

5 THE CITY OF LAKEWOOD IS A WILLING  
6 PARTNER WHO WILL WORK IN THE SPIRIT OF COOPERATION  
7 TOWARD DEVELOPMENT OF THOSE NEW STRATEGIES. IN  
8 GENERAL TERMS, I WOULD LIKE TO SUGGEST THAT AS THE  
9 COMMITTEES UNDERTAKE THEIR WORK, THEY CONSIDER THE  
10 IMPACTS OR THE POTENTIAL IMPACTS OF THE NEWLY  
11 ENACTED PROPOSITION 218 BECAUSE, AS SOMEONE  
12 COMMENTED EARLIER, IMPLEMENTATION OF THIS REALLY  
13 IS A RESPONSIBILITY OF THE LOCAL JURISDICTIONS,  
14 AND NOW OUR FUNDING SOURCES ARE SERIOUSLY IMPACTED  
15 BY THAT NEW INITIATIVE.

16 WE'RE IN A RATHER UNIQUE POSITION OF  
17 HAVING MADE A LONG-TERM CONTRACT TO DELIVER OUR  
18 REFUSE TO THE SOUTHEAST RESOURCE RECOVERY FACILITY  
19 IN LONG BEACH, AND WE'RE COMMITTED TO THE WASTE-  
20 TO-ENERGY METHOD. AND RATHER THAN, IN LIGHT OF  
21 THE FACT THAT YOU DO HAVE THIS MOTION ON THE FLOOR  
22 AND ARE GOING TO BE REFERRING THESE THINGS TO  
23 COMMITTEE, I'D LIKE TO SUBMIT MY COMMENTS IN  
24 WRITING RATHER THAN READ THEM TO YOU AT LENGTH.  
25 AND I WOULD LIKE TO SAY THAT WE LOOK FORWARD TO

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1 WORKING IN THESE WORKSHOP SESSIONS AND WITH THE  
2 BOARD ON CONTINUING TO FLUSH OUT POSSIBILITIES IN  
3 THE WASTE-TO-ENERGY AREA.

4 CHAIRMAN PENNINGTON: I DID OVERLOOK ONE  
5 PERSON. MR. THOMAS STARLING.

6 MR. STARLING: MY NAME IS TOM STARLING.  
7 I'M THE SOLID WASTE MANAGEMENT COORDINATOR FOR THE  
8 COUNTY OF MARIPOSA.

9 MR. CHAIR, MEMBERS OF THE BOARD, ON  
10 BEHALF OF MARIPOSA COUNTY AND OTHER RURAL  
11 JURISDICTIONS, I APPRECIATE THE OPPORTUNITY TO  
12 PARTICIPATE IN THIS COMPREHENSIVE EVALUATION OF  
13 50-PERCENT DIVERSION AND ASSOCIATED AB 939  
14 REQUIREMENTS. SOME OF THE ALTERNATIVE STRATEGIES  
15 BEING LOOKED AT HAVE THE POTENTIAL OF GREATLY  
16 HELPING RURAL COUNTIES, AND I WOULD LIKE TO  
17 ENCOURAGE THE BOARD TO SERIOUSLY CONSIDER THOSE  
18 PROPOSALS WHICH WOULD EXEMPT RURAL JURISDICTIONS  
19 FROM AB 939 REQUIREMENTS.

20 ALTHOUGH RCRC HAS NOT YET HAD AN  
21 OPPORTUNITY TO TAKE A FORMAL POSITION ON THIS, I  
22 KNOW THAT MANY RURAL COUNTIES, INCLUDING MARIPOSA,  
23 CALAVERAS, AND OTHERS I HAVE SPOKEN WITH STRONGLY  
24 SUPPORT THIS OPTION. WITH THE PASSAGE OF PROP  
25 218, DECLINING MARKETS, RECYCLABLES, AND THE

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1 INABILITY TO MAINTAIN FLOW CONTROL, RURAL COUNTIES  
2 IN PARTICULAR FIND IT INCREASINGLY DIFFICULT TO  
3 FIND THE FINANCIAL RESOURCES NEEDED TO FULLY  
4 COMPLY WITH AB 939 REQUIREMENTS.

5 AND I THINK IT IS IMPORTANT TO  
6 MENTION THAT MEETING MANDATED OR EVEN REDUCED  
7 DIVERSION LEVELS IS ONLY ONE ASPECT OF THE PROBLEM  
8 IN MANY COUNTIES. WITH LIMITED STAFFING, WE OFTEN  
9 FIND THAT THE ADMINISTRATIVE REQUIREMENTS OF AB  
10 939 ACTUALLY HINDER OUR ABILITY TO IMPLEMENT  
11 PROGRAMS WHICH INCREASE WASTE DIVERSION.

12 EXEMPTING RURAL COUNTIES FROM AB 939  
13 REQUIREMENTS COULD HAVE A POSITIVE IMPACT ON WASTE  
14 DIVERSION PROGRAMS BY ALLOWING US TO USE OUR  
15 AVAILABLE RESOURCES TO CONSTRUCTIVELY IMPLEMENT  
16 THOSE PROGRAMS WHICH MAKE SENSE TO INDIVIDUAL  
17 AREAS WITHOUT WORRYING ABOUT EXCESSIVE MONITORING  
18 AND REPORTING REQUIREMENTS, WITHOUT TRYING TO MAKE  
19 SENSE OF CONFUSING BASE YEAR TONNAGES AND WITHOUT,  
20 FOR EXAMPLE, HAVING TO WORRY ABOUT THE POSSIBLE  
21 IMPACTS OF NEW WASTE CHARACTERIZATION REGULATIONS  
22 OR THE IMPENDING NEED TO UPDATE AND REVISE OUR  
23 INTEGRATED WASTE MANAGEMENT PLANS.

24 AS A GROUP OF RURAL COUNTIES WE  
25 GENERALLY SUPPORT THE INTENT OF AB 939, AND MANY



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1 RURAL COUNTIES HAVE MADE TREMENDOUS PROGRESS  
2 TOWARD MEETING THOSE PROGRAMMATIC AND NUMERICAL  
3 GOALS OF 939. WE FEEL THAT WE ARE HEADING IN THE  
4 RIGHT DIRECTION AND THAT WE CAN BEST ACCOMPLISH  
5 OUR GOALS BY NOW CONCENTRATING ON PROGRAM  
6 IMPLEMENTATION AND EXPANSION, NOT ON DEMONSTRATING  
7 REGULATORY COMPLIANCE.

8 IN MARIPOSA COUNTY, FOR EXAMPLE, I  
9 AM THE SOLID WASTE MANAGEMENT DIVISION STAFF, AND  
10 MOST RURAL COUNTIES ARE SIMILAR WITH ONLY ONE OR  
11 TWO STAFF PEOPLE AVAILABLE TO DEAL WITH ALL  
12 ASPECTS OF SOLID WASTE MANAGEMENT OPERATIONS.  
13 UNLIKE LARGE ORGANIZATIONS, WE DO NOT HAVE THE  
14 RESOURCES TO DEAL WITH THE MYRIAD OF NEW  
15 REGULATIONS CONTINUOUSLY BEING PROMULGATED, MUCH  
16 LESS TO COMPLY WITH ASSOCIATED REPORTING AND  
17 MONITORING REQUIREMENTS.

18 IN CLOSING, I WOULD LIKE TO  
STRONGLY

19 RECOMMEND THAT THE BOARD APPROVE THE MOTION. I  
20 LOOK FORWARD TO PARTICIPATING WITH RCRC AND OTHER  
21 RURAL COUNTIES IN THESE FUTURE DISCUSSIONS. FROM  
22 MY PERSPECTIVE, EXEMPTING RURAL COUNTIES FROM AB  
23 939 REQUIREMENTS SHOULD NOT BE VIEWED AS A  
24 COMPROMISE IN THE INTENT OF 939. ON THE

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CONTRARY,

25 IT MAY WELL PROVE TO BE A STEP FORWARD, NOT

1 BACKWARD. THANK YOU VERY MUCH.

2 CHAIRMAN PENNINGTON: THANK YOU. ANY  
3 QUESTIONS OF MR. STARLING? OKAY. THAT CONCLUDES  
4 THE PUBLIC COMMENTS. WE HAVE A MOTION. I'M SURE  
5 YOU DON'T WANT ME TO REREAD THE MOTION, DO YOU?

6 BOARD MEMBER FRAZEE: JUST A COMMENT, IF  
7 I COULD, MR. CHAIRMAN. I THOUGHT THE PUBLIC  
8 TESTIMONY THIS MORNING WAS VERY HELPFUL. THERE  
9 WAS ONE ITEM THAT CAME OUT OF THAT THAT I WOULD  
10 LIKE TO THROW OUT FOR DISCUSSION AND SEE IF IT IS  
11 APPROPRIATE TO BE INCLUDED AS ANOTHER ITEM IN THIS  
12 WORK. AND I KNOW THAT WE'RE ADDRESSING IT OTHER  
13 PLACES. AND THAT'S THE REQUIREMENT ON MEETING THE  
14 25-PERCENT GOALS AND THE ENFORCEMENT POLICY  
15 REGARDING THAT.

16 IS THAT A SUBJECT THAT WE SHOULD BE  
17 INCLUDING IN THIS WHOLE DISCUSSION BECAUSE IT  
18 SEEMS THAT IF YOU ARE WORKING TOWARDS A 50-PERCENT  
19 GOAL, FIRST THING YOU HAVE TO DO IS TAKE THAT  
20 FIRST STEP AND ENSURE THAT THE 25S ARE DONE.

21 CHAIRMAN PENNINGTON: WELL, IT WOULD SEEM  
22 LIKE --

23 BOARD MEMBER FRAZEE: I KNOW THAT  
24 WE'RE -- YOU KNOW, THAT'S GOING ON SOMEWHERE ELSE,  
25 BUT IN THE CONTEXT OF 50 PERCENT, IS THAT ONE THAT

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1 SHOULD BE INCLUDED?

2 CHAIRMAN PENNINGTON: MAYBE -- MAYBE NOT  
3 IN THAT. MAYBE WE SHOULD TAKE CARE OF THIS  
4 MOTION. AND THEN MAKE A MOTION TO HAVE THE PERMIT  
5 AND ENFORCEMENT COMMITTEE MAYBE WORK WITH LOCAL  
6 ASSISTANCE TO DEVELOP AN ENFORCEMENT PROGRAM.

7 LET'S TAKE CARE OF THIS MOTION AND  
8 THEN --

9 BOARD MEMBER FRAZEE: I WAS JUST RAISING  
10 IT BECAUSE IT WASN'T BROUGHT UP BECAUSE IT IS AN  
11 IMPORTANT COMPONENT OF THIS. I DON'T SEE IT  
12 INCLUDED ANYWHERE ELSE.

13 CHAIRMAN PENNINGTON: I THINK YOU ARE  
14 RIGHT. I THINK WE DO NEED TO LOOK AT THE  
15 ENFORCEMENT ASPECTS OF IT TOO.

16 WE HAVE A MOTION BEFORE US, SECONDED  
17 BY MR. RELIS. IF THERE'S NO FURTHER DISCUSSION,  
18 WE'LL HAVE THE SECRETARY CALL THE ROLL.

19 BOARD SECRETARY: BOARD MEMBER CHESBRO.

20 BOARD MEMBER CHESBRO: AYE.

21 BOARD SECRETARY: FRAZEE.

22 BOARD MEMBER FRAZEE:

AYE.

23 BOARD SECRETARY: GOTCH.

24 BOARD MEMBER GOTCH: AYE.

25 BOARD SECRETARY: JONES.

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1 BOARD MEMBER JONES: AYE.

2 BOARD SECRETARY: RELIS.

3 BOARD MEMBER RELIS: AYE.

4 BOARD SECRETARY: CHAIRMAN PENNINGTON.

5 CHAIRMAN PENNINGTON: AYE. THE MOTION

6 CARRIES.

7 NOW, DO WE WANT TO DISCUSS NOW --

8 BOARD MEMBER CHESBRO: MR. CHAIRMAN, I

9 WOULD MAKE A MOTION THAT WE ASK THE LOCAL

10 ASSISTANCE AND PLANNING COMMITTEE TO AGENDIZE AN

11 ITEM FOR A REPORT FROM STAFF ON ENFORCEMENT OF THE

12 25 PERCENT, AND ALL MEMBERS OF THE BOARD WHO

13 AREN'T MEMBERS OF THE COMMITTEE, MR. FRAZEE IS A

14 MEMBER, BUT OTHER MEMBERS OF THE BOARD ARE

15 CERTAINLY INVITED TO PARTICIPATE IN THAT

16 DISCUSSION AS WELL.

17 MEMBER RELIS: SECOND.

18 CHAIRMAN PENNINGTON: ANY FURTHER

19 DISCUSSION? IF THERE'S NOT, WILL THE SECRETARY

20 CALL THE ROLL ON THAT MOTION?

21 BOARD SECRETARY: BOARD MEMBER CHESBRO.

22 BOARD MEMBER CHESBRO: AYE.

23 BOARD SECRETARY: FRAZEE.

24 BOARD MEMBER FRAZEE:

AYE.

25 BOARD SECRETARY: GOTCH.



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1 BOARD MEMBER GOTCH: AYE.

2 BOARD SECRETARY: JONES.

3 BOARD MEMBER JONES: AYE.

4 BOARD SECRETARY: RELIS.

5 BOARD MEMBER RELIS: AYE.

6 BOARD SECRETARY: CHAIRMAN PENNINGTON.

7 CHAIRMAN PENNINGTON: AYE.

8 BOARD MEMBER RELIS: MR. CHAIR.

9 CHAIRMAN PENNINGTON: MOTION CARRIES.

10 BOARD MEMBER RELIS: NOW WITH THE MOTION  
11 BEHIND US, SO IT'S MY UNDERSTANDING THAT WE'LL ALL  
12 BE MEETING IN MARCH, ALL THE COMMITTEES, TO  
13 PROCESS THIS, THAT WE ARE USING THIS FRAMEWORK,  
14 WHICH I THINK IS GOING TO HELP THE BOARD'S WORK  
15 IMMEASURABLY TO HAVE THE COMPREHENSIVE FRAMEWORK  
16 IN WHICH WE CAN EVALUATE THE MERITS OF ONE  
ACTION

17 OVER ANOTHER AND THEN INTEGRATE THAT WHOLE  
EFFORT

18 INTO A BOARDWIDE ORGANIZATIONAL COMMITMENT TO  
19 THESE TASKS SO THAT WE CAN MOBILIZE OUR STAFF  
20 RESOURCES ACROSS DIVISIONS.

21 CHAIRMAN PENNINGTON: I WOULD ENVISION  
22 THAT IF YOU FEEL THAT THERE'S BIG ENOUGH AREA IN  
23 THE MARKET DEVELOPMENT STRATEGIES HERE, THAT IF  
24 YOU FEEL YOU NEED TWO DAYS OF HEARINGS, THAT YOU

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25        WOULD GO AHEAD AND SCHEDULE THAT OR, YOU KNOW,  
GO

1       AHEAD AND NOTICE IT NOW SO THAT YOU GET TWO DAYS  
2       BEFORE THE MARCH MEETING OR WHATEVER -- WHATEVER  
3       YOU AND YOUR COMMITTEE FEELS, OBVIOUSLY WITH THE  
4       STAFF CONCERNS, TO GET THESE ISSUES SORTED OUT,  
5       HAVE A PUBLIC PARTICIPATION SO THAT WE CAN BRING  
6       THOSE THINGS THAT YOUR COMMITTEE FEELS ARE  
7       APPROPRIATE TO MOVE FORWARD TO THE MARCH MEETING.

8               BOARD MEMBER RELIS:   WE'LL CONSIDER  
THAT.

9       WE COMPLETED THE MARKET PLAN, SO WE'LL BE  
REFINING

10      THAT IN SOME SENSE.

11              CHAIRMAN PENNINGTON:   FINE.   THERE IS  
12      SOME QUESTION ABOUT PEOPLE BEING ASSURED THAT  
THEY

13      ARE NOTIFIED OF HEARINGS AND THAT THEY'RE ON OUR  
14      LISTS.   SHOULD THEY JUST WRITE YOU WITH THEIR  
15      ADDRESS SO THAT YOU CAN MAKE SURE THEY GET ON THE  
16      MAILING LIST?

17              MR. CHANDLER:   CERTAINLY.   FOR THOSE IN  
18      THE AUDIENCE THAT PERHAPS ARE NOT FREQUENT  
19      PARTICIPANTS TO THE BOARD'S PROCESS, TO SUMMARIZE  
20      AGAIN, THE NEXT STEP WILL BE FOR THESE VARIOUS  
21      COMMITTEE ASSIGNMENTS TO BE TAKEN UP BY THE BOARD  
22      COMMITTEE STRUCTURE PRIMARILY IN MARCH, WITH THEM  
23      ALL COMING BACK TO THE FULL BOARD FOR DISCUSSION

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24       AND DECISIONS AS TO WHICH ONES WE'RE GOING TO GO  
25       FORWARD WITH.

1                   SO IT'S INCUMBENT THAT YOU UNDER-  
2       STAND THE COMMITTEE PROCESS AND HOW TO GET ON OUR  
3       MAILING LIST FOR THOSE COMMITTEE AGENDAS, TIMES,  
4       AND LOCATIONS, WHICH MOST TYPICALLY WILL BE IN  
5       THIS BOARDROOM. SO IF YOU HAVE A WISH TO GET ON  
6       OUR MAILING LIST FOR PERHAPS REASONS THAT YOU'RE  
7       NOT ALREADY, THEN YOU WANT TO LEAVE YOUR BUSINESS  
8       CARD, I'LL GIVE IT TO PATTI BERTRAM, AND SHE WILL  
9       MAKE SURE THAT YOU GET THE SPECIFIC MAILING TO THE  
10      AGENDAS WHICH WILL BE SET FOR DATES IN MARCH FOR  
11      THE COMMITTEES TO MEET.

12                  CHAIRMAN PENNINGTON: FEBRUARY AND MARCH.

13                  MR. CHANDLER: FEBRUARY AND MARCH AS WE  
14      START THIS WORK. AND LORRAINE.

15                  MS. VAN KEKERIX: WE HAVE A DATABASE OF  
16      EVERYONE WHO REQUESTED COPIES OF THE 50-PERCENT  
17      AGENDA ITEM, AND I WILL FORWARD THAT LISTING TO  
18      PATTI BERTRAM TO GET YOU PUT ON THE LIST. SO YOU  
19      NEED TO LEAVE YOUR CARD WITH PATTI BERTRAM IF YOU  
20      DID NOT REQUEST THAT EITHER A DISK OR HARD COPY BE  
21      MAILED OUT TO YOU.

22                  CHAIRMAN PENNINGTON: OKAY. FINE.

23                  BOARD MEMBER RELIS: MR. CHAIR, I'D LIKE  
24      TO THANK STAFF. I THINK THE OPENING PRESENTATION  
25      WAS VERY CLEAR AND ON TARGET, AND ALSO TO THE

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1 ADVISORS WHO WORKED HARD TO HELP BRING THIS MOTION  
2 FORWARD IN THE WAY IT WAS.

3 CHAIRMAN PENNINGTON: RIGHT. I CERTAINLY  
4 CONCUR IN THAT. I THINK THE ADVISORS DID YEOMEN'S  
5 WORK IN PULLING ALL THIS TOGETHER, AND I THANK THE  
6 BOARD FOR THEIR SPIRIT OF COOPERATION AS WELL.

7 THAT CONCLUDES THIS PORTION OF OUR  
MEETING, AND WE WILL MOVE NOW INTO THE 2 O'CLOCK  
JOINT MEETING WITH THE WATER BOARD. ARE WE  
RECESSING NOW OR ADJOURNING?

MR. CHANDLER: I THINK IT'S UNDERSTOOD  
YOU CAN DO IT EITHER WAY. YOU CAN ADJOURN THIS  
MEETING, AND WE WILL OPEN WITH OUR JOINT HEARING  
THIS AFTERNOON.

CHAIRMAN PENNINGTON: THEN THE JANUARY  
MEETING IS ADJOURNED.

(END OF PROCEEDINGS AT 1:05 A.M.)



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